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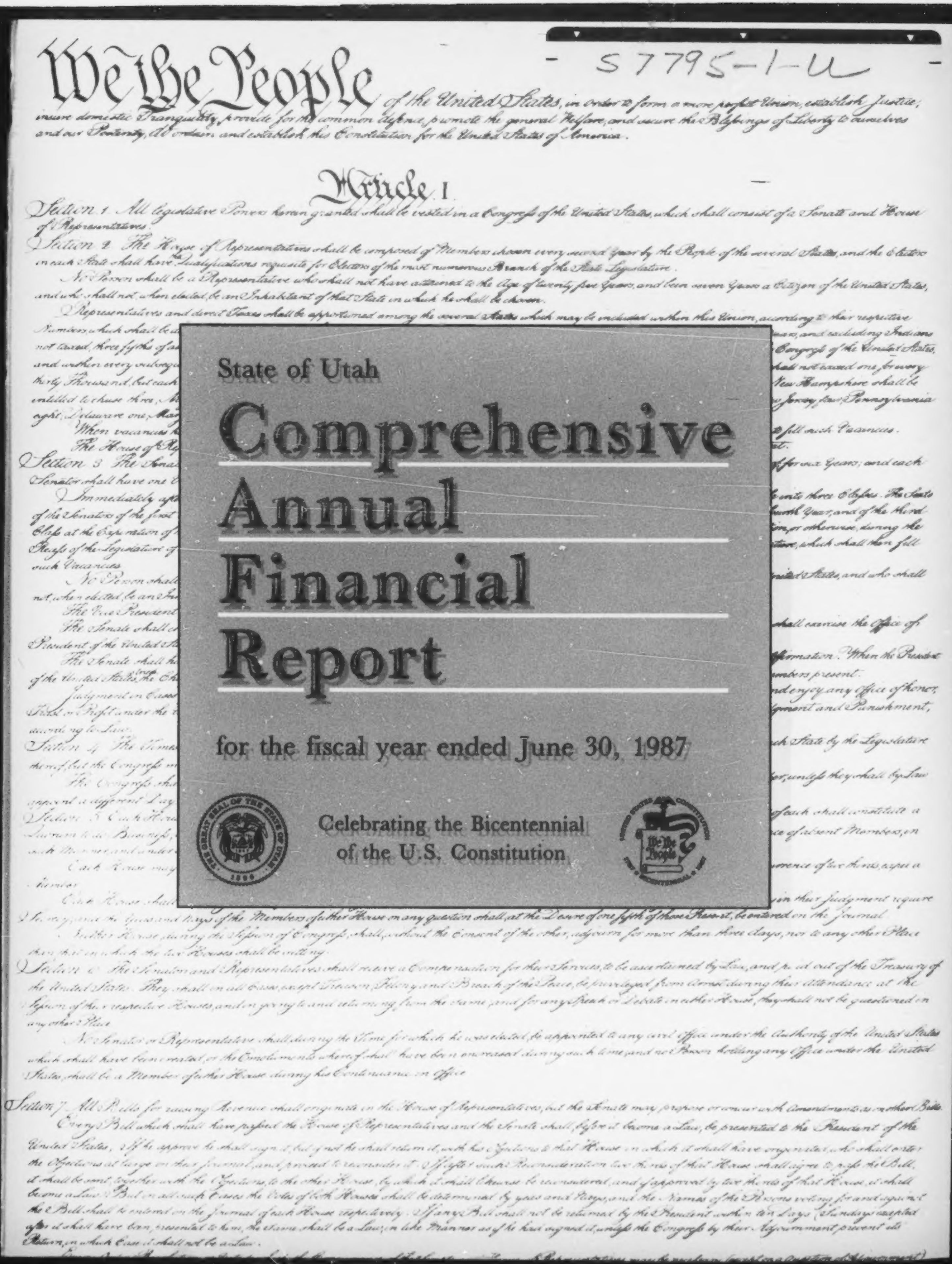

We the People of the United States, in Order to form a more perfect Union, establish Justice, insure domestic Tranquility, provide for the common defence, promote the general Welfare, and secure the Bleſsings of Liberty to ourselves and our Posterity, do ordain and establish this Constitution for the United States of America.

Article. I.

Section. 1. All legislative Powers herein granted shall be vested in a Congreſs of the United States, which shall consist of a Senate and House of Representatives.

Section. 2. The House of Representatives shall be composed of Members chosen every second Year by the People of the several States, and the Electors in each State shall have Qualifications requisite for Electors of the most numerous Branch of the State Legislature.

No Person shall be a Representative who shall not have attained to the Age of twenty five Years, and been seven Years a Citizen of the United States, and who shall not, when elected, be an Inhabitant of that State in which he shall be chosen.

Representatives and direct Taxes shall be apportioned among the several States which may be included within this Union, according to their respective

State of Utah

Comprehensive Annual Financial Report

for the fiscal year ended June 30, 1987

Celebrating the Bicentennial
of the U.S. Constitution

the Yeas and Nays of the Members of either House on any question shall, at the Desire of one fifth of those Present, be entered on the Journal.

Neither House, during the Seſsion of Congreſs, shall, without the Consent of the other, adjourn for more than three days, nor to any other Place than that in which the two Houses shall be sitting.

Section. 6. The Senators and Representatives shall receive a Compensation for their Services, to be ascertained by Law, and paid out of the Treasury of the United States. They shall in all Cases, except Treason, Felony and Breach of the Peace, be privileged from Arrest during their Attendance at the Seſsion of their respective Houses, and in going to and returning from the same; and for any Speech or Debate in either House, they shall not be questioned in any other Place.

No Senator or Representative shall, during the Time for which he was elected, be appointed to any civil Office under the Authority of the United States, which shall have been created, or the Emoluments whereof shall have been encreased during such time; and no Person holding any Office under the United States, shall be a Member of either House during his Continuance in Office.

Section. 7. All Bills for raising Revenue shall originate in the House of Representatives; but the Senate may propose or concur with Amendments as on other Bills.

Every Bill which shall have paſsed the House of Representatives and the Senate, shall, before it become a Law, be presented to the President of the United States; If he approve he shall sign it, but if not he shall return it, with his Objections to that House in which it shall have originated, who shall enter the Objections at large on their Journal, and proceed to reconsider it. If after such Reconsideration two thirds of that House shall agree to paſs the Bill, it shall be sent, together with the Objections, to the other House, by which it shall likewise be reconsidered, and if approved by two thirds of that House, it shall become a Law. But in all such Cases the Votes of both Houses shall be determined by yeas and Nays, and the Names of the Persons voting for and against the Bill shall be entered on the Journal of each House respectively. If any Bill shall not be returned by the President within ten Days (Sundays excepted) after it shall have been presented to him, the Same shall be a Law, in like Manner as if he had signed it, unleſs the Congreſs by their Adjournment prevent its Return, in which Case it shall not be a Law.

STATE OF UTAH

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
JUNE 30, 1987

CONSTITUTIONAL OFFICERS OF THE STATE OF UTAH

Norman H. Bangerter	Governor
W. Val Oveson	Lt. Governor
Tom L. Allen	State Auditor
Edward T. Alter	State Treasurer
David L. Wilkinson	Attorney General
Arnold Christensen	President of the Senate
Glen E. Brown	Speaker of the House
Gordon R. Hall	Chief Justice Supreme Court

OTHER STATE OFFICIALS

Carolyn P. Lloyd	Executive Director, Dept. of Administrative Services
Gordon L. Crabtree, CPA	Director, Division of Finance
Dale Hatch, CPA	Director, State Planning and Budget Office
Leo L. Memmott	Legislative Fiscal Analyst
Wayne Welsh, CPA	Legislative Auditor General

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Special appreciation is given to all of the budget and accounting officers throughout the State whose extra time and effort made this report possible.

STATE OF UTAH
COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 1987
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State of Utah
DEPARTMENT OF ADMINISTRATIVE SERVICES
DIVISION OF FINANCE

Norman H. Bangerter
Governor
Gordon L. Crabtree, C.P.A.
Director

2110 State Office Building
Salt Lake City, Utah 84114
(801) 538-3020

November 20, 1987

The Honorable Norman H. Bangerter
Governor, State of Utah
Room 210 State Capitol
Salt Lake City, Utah 84114

Dear Governor Bangerter:

It is our pleasure to furnish you with the 1987 Comprehensive Annual Financial Report of the State of Utah in accordance with Section 63-1-16 of the *Utah Code Annotated, 1953*, as amended. This report includes the financial statements of the State of Utah as well as the necessary disclosures to accurately present the State's financial position and results of operations in all material respects. Also, statistical and demographic information are included to give the reader the maximum understanding of the State's financial affairs. In addition, this letter and introduction to the report includes some information that will assist you as well as help the casual reader understand the contents of this report.

Reporting Entity

The Comprehensive Annual Financial Report includes various departments, agencies, and other organizational units governed by the State legislature and/or the constitutional officers of the State of Utah. The following criteria were used in determining if a particular entity should be included in this report as an integral part of State Government: Selection of the governing authority, appointment of management, legislative or executive ability to significantly influence operations, and accountability for fiscal operations. The entities that are a part of this report include, but are not limited to, the Utah State Retirement Office, Unemployment Compensation Trust Fund, Worker's Compensation Fund, Utah Housing Finance Agency, Alcoholic Beverage Control Commission, Board of Regents Student Assistance Programs, and State Colleges and Universities.

The State provides a range of services including education, health and social services, highway maintenance and construction (transportation), law enforcement, judicial, public safety, community and economic development, and general administrative services. The cost of these services is reflected in detail and in summary in this report.

Accounting System and Budgetary Control

The State's financial statements for general governmental operations, the expendable trust funds and the agency funds have been prepared on the modified accrual basis of accounting meaning that revenues are recorded when measurable and available and expenditures are recorded when services or goods are received and the liabilities incurred. The proprietary, nonexpendable trust, pension trust, and college and university funds are accounted for on the accrual basis of accounting with all transactions recorded when they occur, regardless of when the related cash is received or disbursed.

The State's system of internal controls over the accounting system have been designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management.

Budgetary control is exercised by legislative authorization of expenditures appearing in the State *Appropriation Act*. This Act also identifies the source of funding for the budgeted amounts. In the event funding is insufficient to cover appropriations, the budgeted expenditures must be reduced. Budget reductions are made routinely throughout the year for shortfalls in departmental collections, dedicated credits and federal revenue.

General Governmental Functions

General governmental functions are represented by the general fund, the special revenue funds, the debt service fund, the capital projects fund, the general long-term debt account group and the general fixed assets account group.

Revenues for general governmental functions totaled $2,303,171,000 in 1987, an increase of 1.4% over 1986. The amount of revenues from various sources and the changes from last year are shown below (expressed in thousands):

Revenue Source	Amount	Percent of Total	Increase (Decrease) From 1986 Amount	Increase (Decrease) From 1986 Percent
Sales Taxes	$ 559,116	24.3%	$ 739	0.1%
Income Taxes	602,599	26.2	65,014	12.1
Motor and Special Fuel Taxes	120,612	5.2	9,079	8.1
Licenses, Fees and Permits	51,215	2.2	2,610	5.4
Interest on Investments	28,471	1.2	(4,562)	(13.8)
Federal Revenues	694,327	30.1	(21,362)	(3.0)
Other Taxes and Revenues	246,831	10.8	(19,073)	(7.2)
Total	$ 2,303,171	100.0%	$ 32,445	1.4%

The Sales and Use Taxes, the largest unrestricted source of State tax revenues, was relatively flat with an increase of only $739,000 or 0.1% over the previous year. The sales tax rate was increased by 0.5% effective March 31, 1987 and resulted in $6,000,000 of additional sales tax for the fiscal year. Without the sales tax rate increase sales tax revenue would actually have dropped. This decline in sales tax resulted from declines in business investments due mainly to the idle Geneva Steel plant, Kennecott's temporary closure and downsizing, the construction downturn including completion of the Intermountain Power Project, and the decline in oil, gas, and mineral production. These declines were offset to some degree by increases in taxable services.

Of the fiscal year 1987 Income Taxes, $533,190,000 was received as individual income taxes. This represented an additional $79,653,000 or a 17.6% increase. The increase was due mainly to federal and State tax reforms. The increase includes $18,400,000 from a one-time 4% surcharge on December 31, 1986 tax returns, $19,100,000 created by federal tax reforms, $12,300,000 from one-time capital gains brought about by federal tax changes, and $14,800,000 of a one-time acceleration of income tax withholdings which will actually reduce revenues next fiscal year. The remaining $69,409,000 of income tax was collected as Corporate income taxes. This represents a decrease of $14,639,000 or 17.4%. The decrease was due to declines in the mineral, oil and gas, and heavy industries sector as mentioned above under sales tax. The decline partially was offset by a 4% corporate tax surcharge of $1,700,000 and $10,500,000 of accelerated revenues from tax collection timing changes.

The Motor and Special Fuel Taxes increase of $9,079,000 or 8.1% was attributable to a consumption increase of 1.9%, and a tax increase of 5 cents per gallon, effective April 1, 1987.

The Licenses, Fees and Permits increase of $2,610,000 or 5.4% is attributable to some rate increases as well as increased numbers of various professional licensing and regulation fees due to the expanding population and the growth in service related jobs.

The Interest on Investments decrease of $4,562,000 or 13.8% was the result of a decrease in the market interest rate earned by State investments, and a decrease in available cash balances. Interest rates decreased from a monthly high in 1986 of 8.1% to as low as 6.1% in fiscal year 1987. The average yield for fiscal year ended June 30, 1987 was 6.7%, compared to an average annual yield of 7.4% for fiscal year ended June 30, 1986. In addition, the average daily cash balance invested by the State Treasurer decreased over 50% in fiscal year 1987 due mainly to spending of cash reserves for capital projects.

The Other Taxes and Revenues decrease of $19,073,000 or 7.2% was mainly the result of a decline in the oil prices causing a decrease of $22,000,000 in mine (oil) occupation taxes.

The Federal revenue decrease of $21,362,000 or 3.0% was mainly attributable to a $41,684,000 decrease in federal highway funds. This was the result of a combination of factors, including completion of a section of the interstate system and the acceleration of federally funded highway projects in prior years, thus reducing federal funds available in fiscal year 1987. This decrease was partially offset by a $30,320,000 increase in Federal revenue for public assistance, medicaid and other health programs.

Expenditures for total general governmental functions were $2,436,707,000 an increase of 2.8% over 1986. As a result of reduced revenue estimates during the fiscal year, the Governor and the Legislature reduced authorized spending budgets by $72,509,000. State government expenditures by function and the changes from last year are as follows (expressed in thousands):

Function	Amount	Percent of Total	Increase (Decrease) From 1986 Amount	Increase (Decrease) From 1986 Percent
General Government	$ 140,006	5.8%	$ 5,805	4.4%
Education:				
Public	743,529	30.5	8,667	1.2
Higher	251,218	10.3	(2,921)	(1.1)
Social Services, Corrections and Health	606,107	24.9	42,561	7.6
Transportation and Public Safety	343,809	14.1	(43,059)	(11.1)
Natural Resources	54,855	2.3	(3,814)	(6.5)
Community and Economic Development	58,571	2.4	1,303	2.3
Business, Labor and Agriculture	22,470	0.9	(307)	(1.3)
Debt Service	91,004	3.7	16,801	22.6
Capital Projects	125,138	5.1	42,355	51.2
Total	$ 2,436,707	100.0%	$ 67,391	2.8%

The increase in General Government expenditures of $5,805,000 or 4.4% is mainly attributable to increased Tax Commission expenditures of $3,700,000 for increased staffing to improve collection of State taxes. Also, increased expenditures occurred in the State's court systems of $2,500,000.

Expenditures for public and higher education is the largest use of State revenues. The Higher Education expenditures include $246,625,000 of General Fund expenditures that are classified as transfers to the colleges and universities in the GAAP basis financial statements. The increase of 1.2% in Public Education and decrease of 1.1% in Higher Education reflects budget cuts made during the year of $24,320,000 for public education and $12,845,000 for higher education, required because revenues collected fell short of revenue estimates. The State's commitment to improved and continued enhancement to education is reflected by the prior fiscal year's increase to the education expenditure base of $102,624,000 so that over a two-year period education expenditures have increased over 12.2%.

The social services, corrections and health expenditure increase of $42,561,000 or 7.6% represents an increase of $4,289,000 in Department of Corrections expenditures which is a direct result of ever increasing prison populations and an increasing number of correctional facilities. Also, the Departments of Social Services and Health expenditures increased by $38,272,000 which was the result of an increased number of people receiving public assistance as well as rate increases. Most of the funding comes from federally sponsored assistance programs including food stamps and medicaid.

The transportation and public safety expenditures decrease of $43,059,000 or 11.1% was due mainly to a decrease in federal highway construction programs of $35,985,000 and a decrease in State highway construction programs of $11,512,000.

The debt service expenditures increase of $16,801,000 or 22.6% was due to a single payment of $29,950,000 principal payment to pay off the 1985 Prison bonds as well as the first scheduled principal on the 1984 refunding bonds and interest on the 1986 various purpose bonds totaling $12,080,000. These increases were offset by reduced principal requirements for the bonds that had been refunded. Most of the refunding issue resulted in shorter payoff periods or lower interest rates and thus produced overall net savings in debt service costs.

The capital project expenditures increase of $42,355,000 or 51.2% was mostly related to expenditures of $53,047,000 for construction of the West Desert Pumping Project. The project was funded through bonding and flood reserve funds. It was implemented to control the level of the Great Salt Lake which reached a record level in 1986, and had caused extensive property damage in the past three years.

Each fund of the State maintains an equity position which is either restricted by State law, contract, or is unreserved and available for future appropriation. The status of the State's General Fund and Special Revenue Funds is noted below:

A. General Fund - The General Fund experienced some revenue shortfalls during the year. The Governor and Legislature took action to reduce the budgets by $30,709,000 and also imposed tax increases that resulted in the General Fund ending the fiscal year with an unreserved balance of $49,256,000 of which $20,049,000 was set aside and restricted by statute for a Budget Deficit Reserve Fund (Rainy Day Fund). Total restricted balance at fiscal year end stood at $133,253,000.

B. Special Revenue Funds - These Funds are composed of the Uniform School Fund and the Transportation Fund. Mid-year budget cuts were required of the Uniform School Fund and the Transportation Fund of $24,320,000 and $17,480,000, respectively. At year-end, the Uniform School Fund had no unreserved balance and a restricted balance of $12,273,000. The Transportation Fund ended the year with an unreserved fund balance of $1,219,000 and a restricted balance of $5,025,000.

Debt Administration

The State continues to enjoy a triple "A" rating from Moody's Investors Service and Standard and Poor's Corporation. The high rating saves the State millions of dollars in interest on general obligation and revenue type bonds. During the year, the State issued $91,230,000 in General Obligation bonds of which $65,350,000 will be used for capital facilities and flood control projects and $25,880,000 plus an additional $6,020,000 from certificate of participation sinking fund monies were used to prepay the outstanding principal balances on the 1984 Variable Rate Demand Certificates of Participation Series B (Health Building Project) and Series C (Regional Office Building Project).

Cash Management

Cash is controlled by the State Treasurer or by other administrative bodies as determined by law. All cash deposited with the State Treasurer by State entities is managed in pooled investment funds to maximize interest earnings. The Treasurer invests the cash including the cash float in short-term securities and other investments within the provisions of the State Money Management Act (*Utah Code Annotated, 1953*, as amended, Section 51-7). In addition, the State is taking steps to fully implement the "State/Federal Equity Program". This program ensures the State has adequate cash resources to cover Federal programs in a timely manner.

Risk Management

The State is self-insured against certain property and liability claims. The Legislature established the Administrative Services Risk Management Fund to pay for commercial insurance or accumulate reserves for the self-insured portion of certain property and liability risks. Revenues are generated from premiums charged to State departments and institutions of higher education and also from several local school districts.

The property self-insurance limits for the fiscal year 1987 were $10,000,000 per claim with an annual aggregate of $10,000,000 per policy year. Generally, claims in excess of the self-insured limits are covered by insurance policies with private insurance companies.

Independent Audit

In compliance with State statute, an annual financial audit of the State entity is completed each year by the Utah State Auditor's Office. Their examination was conducted in accordance with generally accepted auditing standards, and their opinion has been included in this report. In addition, the State coordinates through the State Auditor the "Single Audit" effort of all Federal funds.

Certificate of Achievement

We are proud to announce that the Government Finance Officers Association of the United States and Canada (GFOA) for the second year in a row has awarded a Certificate of Achievement for Excellence in Financial Reporting to the State of Utah for its Comprehensive Annual Financial Report for the year ended June 30, 1986.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate. We are committed to this effort and we intend to maintain a highly qualified and professional staff to make this certification possible.

Prospects for the Future

Utah faces several challenges as do other states due to the overall economic conditions in the United States. Recently, Utah's economy has suffered from limited growth and some declines in the State's manufacturing and mineral production industries. On the other hand, Utah is enjoying significant growth in the service sector economy. There are other bright spots in the State's future with the re-opening of Kennecott Copper Mine and Geneva Steel and new industries such as McDonnell Douglas and AT&T Credit.

The State also faces challenges with increased demands for services due to an expanding school age population, needed highway construction and repair, and the general maintenance of the State's environment and our people's health and welfare. These demands for services are being addressed by a responsive Legislature and a commitment from the executive branch of State government and local governments.

The Legislature and Executive Branch have been, and continue to be, conservative with State funds and are committed to operate State government within the limits set by available resources.

Although the State faces challenges, it also has great opportunities for the future. With the great people of this State we can look forward to some very bright prospects in the areas of economic development, education, and maintenance of our comfortable lifestyle.

Conclusion

We hope this report provides useful data in evaluating the financial activity of the State of Utah. We express our appreciation to the budget and accounting officers throughout State government and the State Auditor's Office for their dedicated efforts in assisting us in the preparation of this report.

Sincerely,

Gordon L. Crabtree

Gordon L. Crabtree, CPA
Director of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

State of Utah

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 1986

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to governmental units and public employee retirement systems whose comprehensive annual financial reports (CAFR's) are judged to substantially conform to program standards.

Betty Jo Harker
President

Jeffrey L. Esser
Executive Director

State of Utah

Financial Highlights

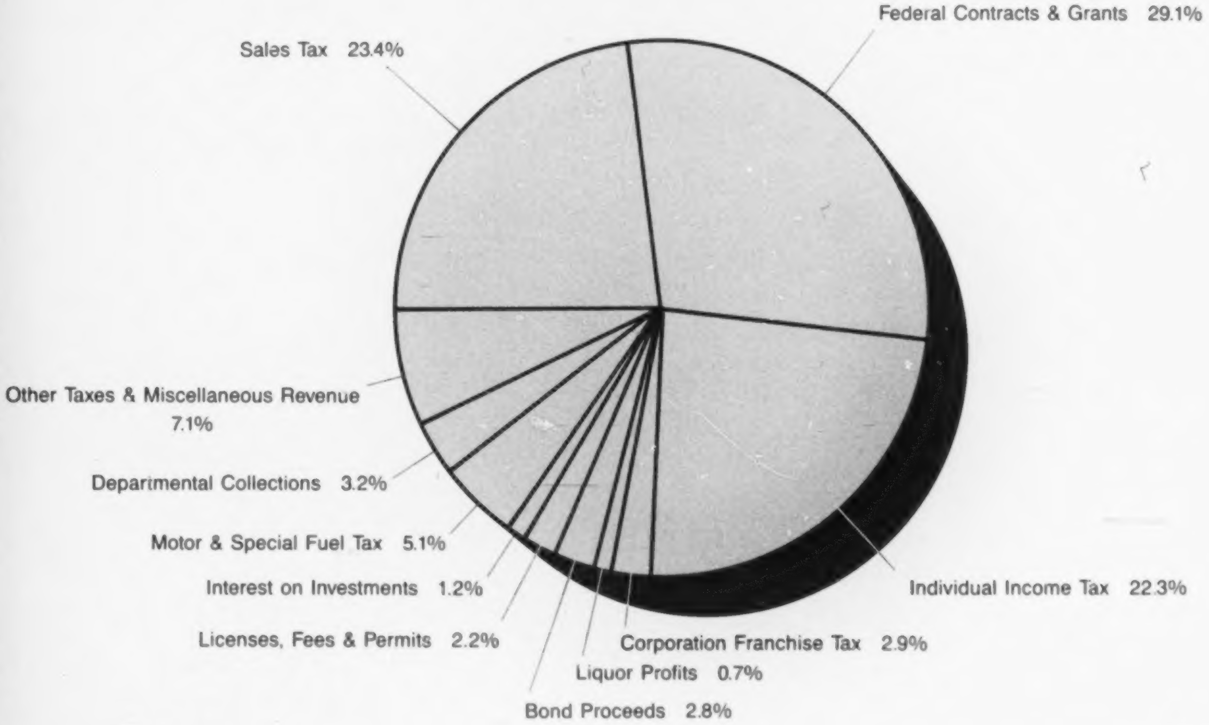
Status of State Funds

Fund Equity Analysis - The following summarizes the Fund Equity position of the three major funds of the State at June 30, 1987:

	General Fund	Uniform School Fund	Trans-portation Fund	Total
Fund Equity Reserved				
Funds Restricted by State Law:				
Budget Deficit Reserve Fund	$ 20,049,000	$ —	$ —	$ 20,049,000
Water Pollution Control	17,050,000	—	—	17,050,000
Safe Drinking Water	8,605,000	—	—	8,605,000
Water Security - Pollution	10,242,000	—	—	10,242,000
Water Security - Drinking	6,777,000	—	—	6,777,000
Employment Security	3,206,000	—	—	3,206,000
Oil Overcharge	17,561,000	—	—	17,561,000
Rural Rehabilitation	1,535,000	—	—	1,535,000
Resource Development	14,724,000	—	—	14,724,000
Wildlife Resources	3,232,000	—	—	3,232,000
Financial Institutions	4,867,000	—	—	4,867,000
Social Services	3,007,000	—	—	3,007,000
Health	850,000	—	—	850,000
Parks and Recreation	1,509,000	—	—	1,509,000
Economic and Industrial Development	2,432,000	—	—	2,432,000
Flood Relief	5,351,000	—	—	5,351,000
Custom Fit Training	—	1,290,000	—	1,290,000
Minimum School Program	—	4,344,000	—	4,344,000
Office of Education	—	2,719,000	—	2,719,000
Area Vocational Centers	—	2,189,000	—	2,189,000
School Building Loans	—	1,700,000	—	1,700,000
Aeronautics	—	—	1,841,000	1,841,000
DOT Resource Development	—	—	3,184,000	3,184,000
Advance to Internal Service Funds	6,489,000	—	—	6,489,000
Miscellaneous Others	5,767,000	31,000	—	5,798,000
Total Funds Reserved	133,253,000	12,273,000	5,025,000	150,551,000
Unreserved Fund Equity	29,207,000	—	1,219,000	30,426,000
Total Fund Equity	$ 162,460,000	$ 12,273,000	$ 6,244,000	$ 180,977,000

Financial Highlights

REVENUES AND OTHER SOURCES
Governmental Fund Types Only

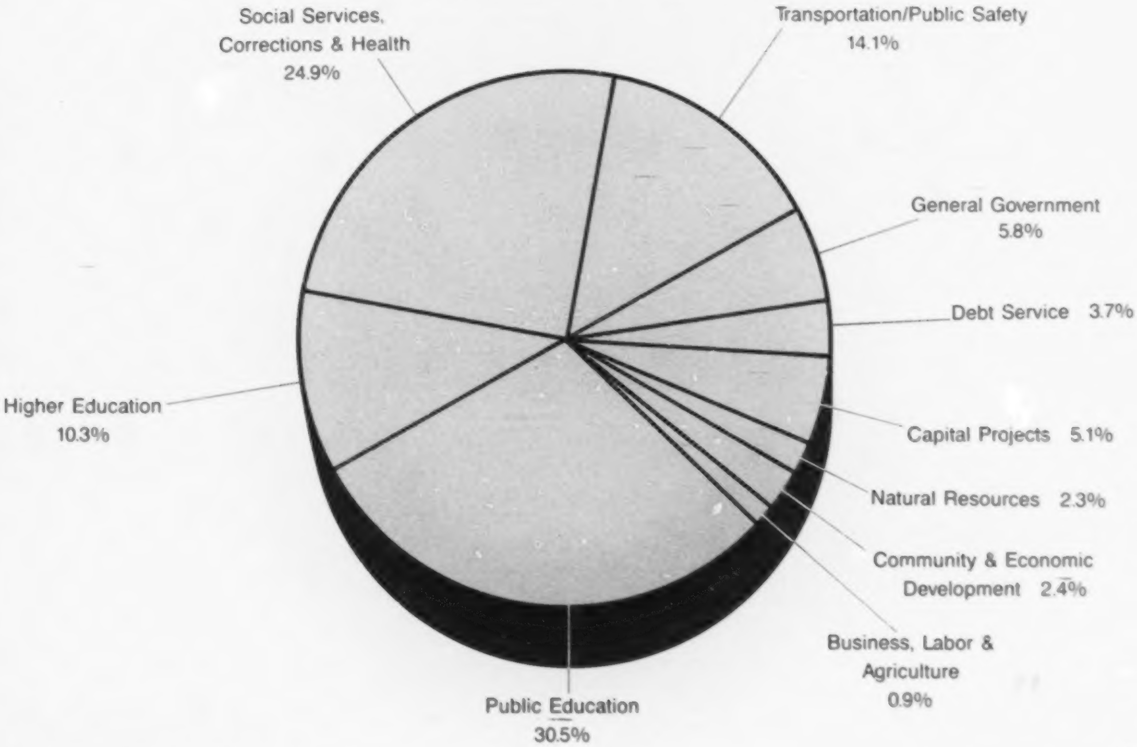


Revenues and Other Sources	**Amount**	**Percent of Total**
Sales Tax	$ 559,116,000	23.4%
Federal Contracts and Grants	694,327,000	29.1
Individual Income Tax	533,190,000	22.3
Other Taxes and Miscellaneous Revenue	170,491,000	7.1
Motor Fuel and Special Fuel Taxes	120,612,000	5.1
Departmental Collections	76,340,000	3.2
Corporation Franchise Tax	69,409,000	2.9
Interest on Investments	28,471,000	1.2
Licenses, Fees and Permits	51,215,000	2.2
Total Revenues	2,303,171,000	96.5
Other Sources(A):		
Liquor Profit Transfer in	17,177,000	0.7
Bond Proceeds	66,528,000	2.8
Total Revenue and Other Sources	$ 2,386,876,000	100.0%

(A) Note: Does not include various trust fund and internal service fund revenues which are reflected in the General Fund and Special Revenue Fund as transfers in. Bond proceeds do not include $25,944,000 of bond proceeds that were used to refund other bonded debt.

Financial Highlights

EXPENDITURES BY FUNCTION
Governmental Fund Types Only



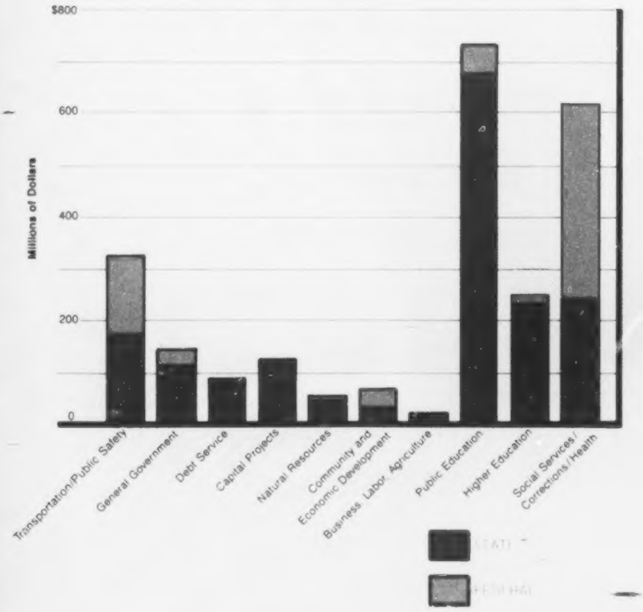
Expenditures by Function	**Amount**	**Percent of Total**
Education:		
Public Education	$ 743,529,000	30.5%
Higher Education	251,218,000	10.3
Social Services, Corrections and Health	606,107,000	24.9
Transportation and Public Safety	343,809,000	14.1
General Government	140,006,000	5.8
Debt Service	91,004,000	3.7
Capital Projects	125,138,000	5.1
Natural Resources	54,855,000	2.3
Community and Economic Development	58,571,000	2.4
Business, Labor, Agriculture	22,470,000	0.9
Total Expenditures(A)	$ 2,436,707,000	100.0%

(A) Note: Does not include transfers made to other funds except General Fund appropriated transfers to the colleges and universities which are included as Higher Education expenditures.

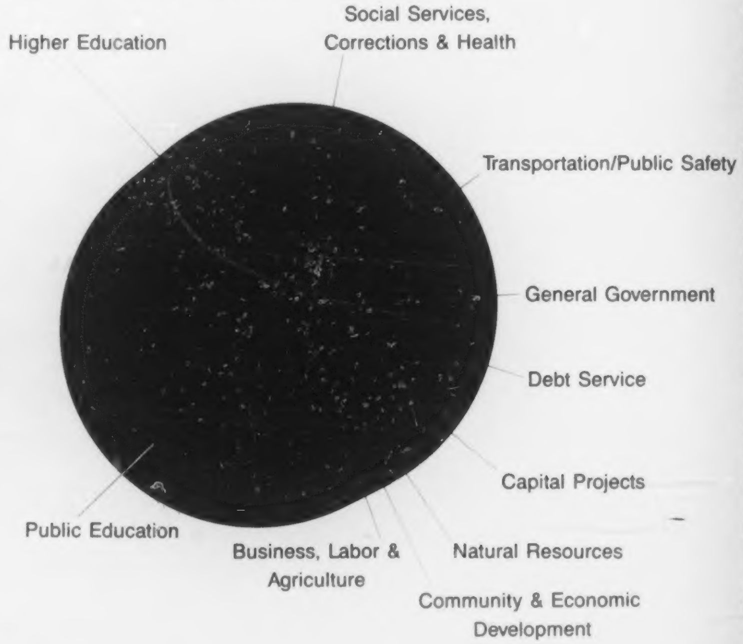
Financial Highlights

EXPENDITURES BY SOURCE
Governmental Fund Types Only

GOVERNMENTAL FUND TYPES ONLY



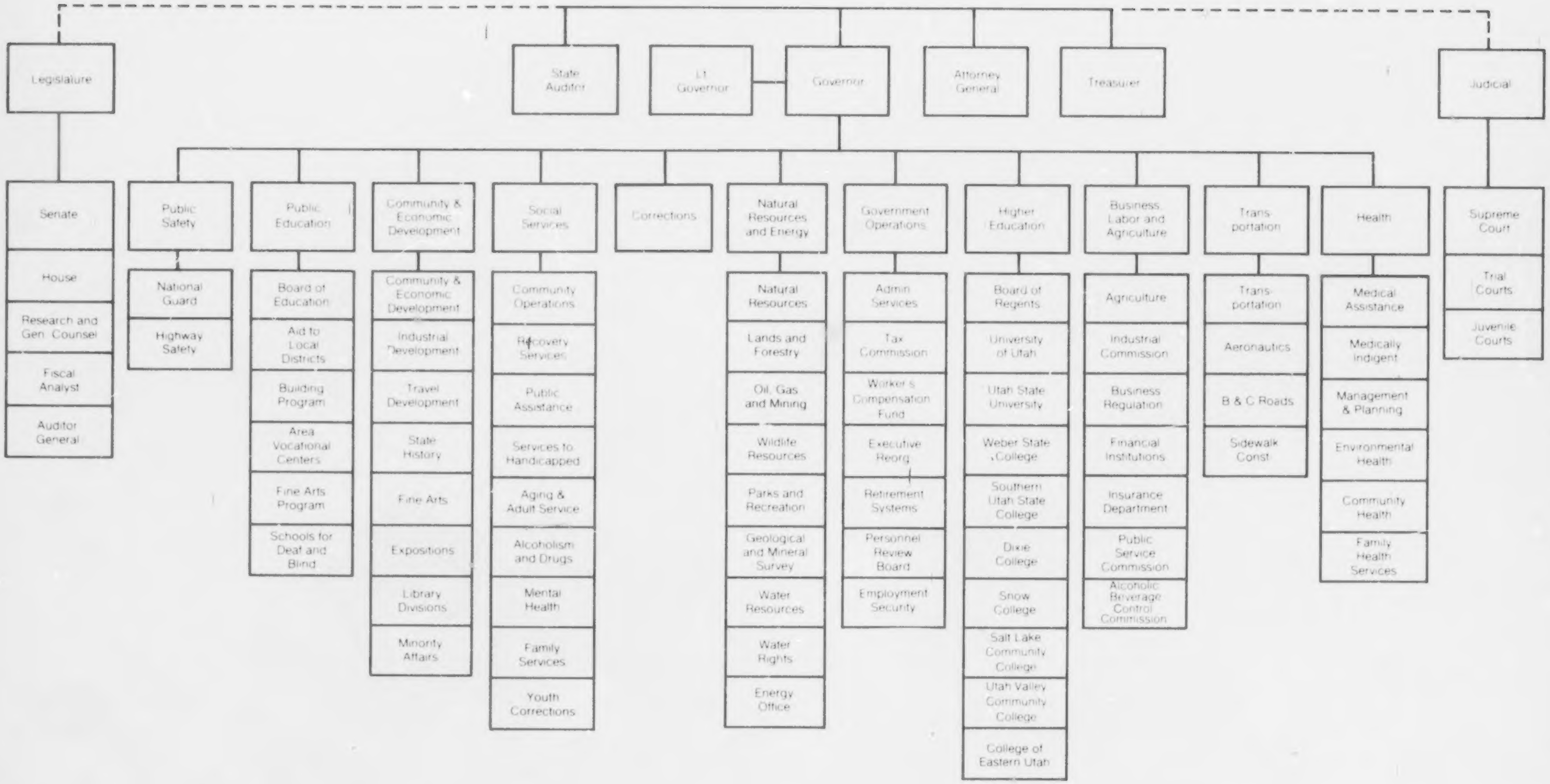
EXPENDITURES BY STATE SOURCE



	Federal Sources (A)	Percent of Total	State and All Other Sources	Percent of Total	Total Expenditures All Sources	Percent of Total
Education:						
Public Education	$ 86,160,000	12.5%	$ 657,369,000	37.6%	$ 743,529,000	30.5%
Higher Education	1,512,000	0.2	249,706,000	14.3	251,218,000	10.3
Social Services, Corrections and Health	363,513,000	52.8	242,594,000	13.8	606,107,000	24.9
Transportation/Public Safety	165,270,000	24.0	178,539,000	10.2	343,809,000	14.1
General Government	35,297,000	5.1	104,709,000	6.0	140,006,000	5.8
Debt Service	—	0.0	91,004,000	5.2	91,004,000	3.7
Capital Projects	34,000	0.0	125,104,000	7.2	125,138,000	5.1
Community and Economic Development	24,078,000	3.5	34,493,000	2.0	58,571,000	2.4
Natural Resources	11,248,000	1.6	43,607,000	2.5	54,855,000	2.3
Business, Labor, Agriculture	2,133,000	0.3	20,337,000	1.2	22,470,000	0.9
Total	$ 689,245,000	100.0%	$ 1,747,462,000	100.0%	$ 2,436,707,000	100.0%

(A) Federal revenues reported in the GAAP financial statements were $5,082,000 greater than expenditures, this was because oil overcharge funds were received but not expended and were placed in restricted accounts for future use.

State of Utah
Budgetary Organization Chart
As of June 30, 1987


Legislature
Senate
House
Research and Gen. Counsel
Fiscal Analyst
Auditor General
State Auditor
Lt. Governor
Governor
Attorney General
Treasurer
Judicial
Supreme Court
Trial Courts
Juvenile Courts
Public Safety
National Guard
Highway Safety
Public Education
Board of Education
Aid to Local Districts
Building Program
Area Vocational Centers
Fine Arts Program
Schools for Deaf and Blind
Community & Economic Development
Community & Economic Development
Industrial Development
Travel Development
State History
Fine Arts
Expositions
Library Divisions
Minority Affairs
Social Services
Community Operations
Recovery Services
Public Assistance
Services to Handicapped
Aging & Adult Service
Alcoholism and Drugs
Mental Health
Family Services
Youth Corrections
Corrections
Natural Resources and Energy
Natural Resources
Lands and Forestry
Oil, Gas and Mining
Wildlife Resources
Parks and Recreation
Geological and Mineral Survey
Water Resources
Water Rights
Energy Office
Government Operations
Admin. Services
Tax Commission
Worker's Compensation Fund
Executive Reorg.
Retirement Systems
Personnel Review Board
Employment Security
Higher Education
Board of Regents
University of Utah
Utah State University
Weber State College
Southern Utah State College
Dixie College
Snow College
Salt Lake Community College
Utah Valley Community College
College of Eastern Utah
Business, Labor and Agriculture
Agriculture
Industrial Commission
Business Regulation
Financial Institutions
Insurance Department
Public Service Commission
Alcoholic Beverage Control Commission
Transportation
Transportation
Aeronautics
B & C Roads
Sidewalk Const.
Health
Medical Assistance
Medically Indigent
Management & Planning
Environmental Health
Community Health
Family Health Services

JAN. 4, 1896

Tom L. Allen, CPA
STATE AUDITOR

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Auston G. Johnson, CPA
DIRECTOR OF LOCAL GOVERNMENTAL
ACCOUNTING AND AUDIT

STATE AUDITOR'S REPORT

To the Members of the Legislature
of the State of Utah and
The Honorable Norman H. Bangerter
Governor, State of Utah

We have examined the general purpose financial statements of the State of Utah as of and for the year ended June 30, 1987, as listed in the table of contents. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the general purpose financial statements referred to above present fairly the financial position of the State of Utah, at June 30, 1987, and the results of its operations and the changes in financial position of its proprietary fund types for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year after giving retroactive effect to the changes, with which we concur, as described in Note C to the financial statements.

Our examination was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund, and individual account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the State of Utah. Such information has been subjected to the auditing procedures applied in the examination of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

The statistical data, listed in the foregoing table of contents, were not audited by us and, accordingly, we do not express an opinion thereon.

Tom L. Allen
Utah State Auditor

November 6, 1987
(except as noted in Note B)
Salt Lake City, Utah

General Purpose Financial Statements

Skiing in the Wasatch Mountains

Combined Balance Sheet - All Fund Types and Account Groups

June 30, 1987 (Expressed in Thousands)

	Governmental Fund Types				Proprietary Fund Types	
	General	**Special Revenue**	**Capital Projects**	**Debt Service**	**Enterprise**	**Internal Service**
Assets						
Cash and Cash Equivalents (Note D)	$ 111,948	$ 15,590	$ 44,547	$ 11,642	$ 372,717	$ 49,762
Other Investments (Note E)	—	—	—	4,488	181,129	5,424
Receivables:						
Accounts	64,001	41,671	311	187	13,810	4,704
Notes/Mortgages (Note A)	47,722	1,700	—	—	741,172	195,129
Accrued Interest	161	—	1	187	15,889	5,712
Unbilled (Note A)	—	6,330	—	—	—	—
Due From Other Funds (Note F)	33,682	6,346	4,539	64	600	8,643
Advance to Other Funds	6,489	—	—	—	—	—
Inventories (Note A)	—	12,367	—	—	11,689	1,158
Prepaid Expenses	—	—	—	—	173	167
Deferred Charges	—	—	—	—	15,562	—
Land (Note A)	—	—	—	—	1,642	—
Building and Improvements	—	—	—	—	5,256	4,323
Machinery and Equipment	—	—	—	—	5,432	43,442
Accumulated Depreciation	—	—	—	—	(4,693)	(20,744)
Construction-in-Progress	—	—	—	—	—	43
Amount Available in Debt Service Fund	—	—	—	—	—	—
Resources to be Provided in Future Years For:						
Retirement of General Obligation Bonds	—	—	—	—	—	—
Other General Long-Term Debt	—	—	—	—	—	—
Deferred Compensation Plan Assets	—	—	—	—	—	—
Total Assets	$ 264,003	$ 84,004	$ 49,398	$ 16,568	$ 1,360,378	$ 297,763
Liabilities and Fund Equity						
Liabilities:						
Vouchers Payable	$ 47,164	$ 30,283	$ —	$ —	$ 5,139	$ 3,524
Contracts Payable	—	—	6,216	—	—	2,825
Accrued Liabilities	14,332	4,511	11	11,907	34,764	2,030
Oblig. Under Reverse Repurchase Agreements	—	—	—	—	—	—
Deposits Held in Custody	—	—	—	—	15,034	—
Due to Other Funds (Note F)	16,192	24,049	1,620	—	9,331	12,724
Due to Other Individuals or Groups	—	—	—	—	—	—
Due to Other Taxing Units	—	—	—	—	—	—
Deferred Revenue (Note A)	23,855	6,644	—	—	4,379	97
Advance From Other Funds	—	—	—	—	—	6,489
Policy Claim Liabilities (Note A)	—	—	—	—	121,831	21,016
Notes Payable (Note H)	—	—	—	—	133,602	75
General Bonds Payable (Note H)	—	—	—	—	—	—
Revenue Bonds Payable (Note H)	—	—	—	—	903,621	—
Leave Obligations	—	—	—	—	—	—
Deferred Compensation Plan Liability	—	—	—	—	—	—
Total Liabilities	101,543	65,487	7,847	11,907	1,227,701	48,780
Fund Equity:						
Contributed Working Capital	—	—	—	—	11,209	205,133
Investment in Fixed Assets	—	—	—	—	—	—
Retained Earnings	—	—	—	—	121,468	43,850
Fund Balances:						
Reserved (Note L & R)	133,253	17,298	15,963	—	—	—
Unreserved:						
Designated for General Obligation Bonds	—	—	—	171	—	—
Designated for Revenue Bonds	—	—	—	4,490	—	—
Designated for Construction Projects	—	—	25,588	—	—	—
Designated for Colleges and Universities	—	—	—	—	—	—
Undesignated	29,207	1,219	—	—	—	—
Total Fund Equity	162,460	18,517	41,551	4,661	132,677	248,983
Total Liabilities and Fund Equity	$ 264,003	$ 84,004	$ 49,398	$ 16,568	$ 1,360,378	$ 297,763

The accompanying notes are an integral part of the financial statements.

Fiduciary Fund Types	Account Groups			Total (Memorandum Only)	Total (Memorandum Only)
Trust and Agency	General Fixed Assets	General Long-Term Obligations	College and University Funds	June 30, 1987	June 30, 1986 (as Restated Note C)
$ 863,690	$ —	$ —	$ 195,057	$ 1,664,953	$ 1,475,086
2,337,153	—	—	78,199	2,606,393	2,284,231
47,890	—	—	65,962	238,536	256,569
—	—	—	35,986	1,021,709	1,036,149
7,688	—	—	3,463	33,101	39,286
—	—	—	—	6,330	9,134
13,113	—	—	17,005	83,992	88,154
—	—	—	—	6,489	4,696
—	—	—	11,678	36,892	37,654
—	—	—	10,065	10,405	12,687
—	—	—	—	15,562	16,879
4,344	72,674	—	18,250	96,910	92,512
—	306,968	—	619,990	936,537	871,803
6,459	133,478	—	319,123	507,934	455,123
(1,723)	—	—	—	(27,160)	(21,610)
—	55,427	—	22,910	78,380	76,744
—	—	4,661	—	4,661	23,837
—	—	252,807	—	252,807	209,509
—	—	66,179	—	66,179	99,384
—	—	—	4,895	4,895	—
$ 3,278,614	$ 568,547	$ 323,647	$ 1,402,583	$ 7,645,505	$ 7,067,827
$ 51,480	$ —	$ —	$ 31,489	$ 169,079	$ 160,048
—	—	6,144	2,601	17,786	23,221
—	—	—	46,861	114,416	116,133
19,619	—	—	—	19,619	—
127	—	—	2,702	17,863	14,350
3,518	—	—	16,558	83,992	88,154
85,328	—	—	—	85,328	70,260
403,470	—	—	—	403,470	368,772
226	—	—	8,798	43,999	57,915
—	—	—	—	6,489	4,696
70,880	—	—	—	213,727	148,450
—	—	—	18,537	152,214	131,787
—	—	255,155	—	255,155	217,975
—	—	26,100	65,484	995,205	970,331
—	—	36,248	—	36,248	42,631
—	—	—	4,895	4,895	—
634,648	0	323,647	197,925	2,619,485	2,414,723
—	—	—	—	216,342	256,472
—	568,547	—	909,533	1,478,080	1,366,208
—	—	—	—	165,318	189,008
2,706,499	—	—	175,608	3,048,621	2,672,018
—	—	—	—	171	8,466
—	—	—	—	4,490	15,371
—	—	—	—	25,588	27,685
—	—	—	119,517	119,517	116,068
(62,533)	—	—	—	(32,107)	1,808
2,643,966	568,547	0	1,204,658	5,026,020	4,653,104
$ 3,278,614	$ 568,547	$ 323,647	$ 1,402,583	$ 7,645,505	$ 7,067,827

Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types and Expendable Trust Funds

For the Fiscal Year Ended June 30, 1987 (Expressed in Thousands)

	Governmental Fund Types			
	General	Special Revenue	Capital Projects	Debt Service
Revenues:				
Unrestricted:				
Sales Tax	$ 559,116	$ —	$ —	$ —
Individual Income Tax	—	533,190	—	—
Corporate Franchise Tax	—	69,409	—	—
Motor and Special Fuel Tax	—	120,612	—	—
Licenses, Fees and Permits	16,377	34,838	—	—
Interest on Investments	3,837	7,940	—	—
Miscellaneous Taxes and Other	82,659	12,332	—	—
Total Unrestricted	661,989	778,321	0	0
Restricted:				
Restricted Sales Tax	—	—	—	—
Federal Contracts and Grants	452,092	242,201	34	—
Departmental Collections	63,031	13,309	—	—
Public Education Dedicated Credits	—	9	—	—
Aeronautics	—	11,093	—	—
Federal Mineral Lease	22,384	—	—	—
Intergovernmental Revenues	—	—	18,406	—
Interest on Investments	11,116	—	1,572	4,006
Premiums/Other Collections	—	—	—	—
Miscellaneous	9,365	11,070	550	2,623
Total Restricted	557,988	277,682	20,562	6,629
Total Revenues	1,219,977	1,056,003	20,562	6,629
Expenditures:				
Current:				
General Government	140,006	—	—	—
Social Services	305,964	—	—	—
Corrections	48,730	—	—	—
Health	251,413	—	—	—
Higher Education	4,593	—	—	—
Natural Resources	54,855	—	—	—
Business, Labor and Agriculture	22,470	—	—	—
Community and Economic Development	58,571	—	—	—
Unemployment Claims	—	—	—	—
Public Education	—	743,529	—	—
Transportation and Public Safety	44,159	299,650	—	—
Capital Outlay	—	—	125,138	—
Debt Service:				
Principal Retirement	—	—	—	64,931
Interest and Other Charges	7,270	—	—	18,803
Total Expenditures	938,031	1,043,179	125,138	83,734
Excess Revenues Over (Under) Expenditures	281,946	12,824	(104,576)	(77,105)
Other Financing Sources (Uses):				
Proceeds of Revenue Bonds/Contracts	1,241	—	—	—
Proceeds of General Obligation Bonds	—	—	65,287	25,944
Payment to Refunded Bond Escrow Agent	—	—	—	(25,944)
Operating Transfers In (Note N)	85,350	48,204	9,617	60,679
Operating Transfers Out (Note N)	(354,202)	(64,671)	(1,794)	(2,750)
Total Other Financing Sources (Uses)	(267,611)	(16,467)	73,110	57,929
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	14,335	(3,643)	(31,466)	(19,176)
Beginning Fund Balances	118,776	10,960	73,017	23,837
Residual Equity Transfers (Note N)	29,349	11,200	—	—
Ending Fund Balances	$ 162,460	$ 18,517	$ 41,551	$ 4,661

The accompanying notes are an integral part of the financial statements.

Fiduciary Fund Type	Total (Memorandum Only)	Total (Memorandum Only)
Expendable Trust	June 30, 1987	June 30, 1986 (as Restated Note C)
$ —	$ 559,116	$ 542,751
—	533,190	453,537
—	69,409	84,048
—	120,612	111,533
—	51,215	48,605
—	11,777	22,154
—	94,991	115,590
0	1,440,310	1,378,218
—	0	15,626
5,604	699,931	720,386
—	76,340	69,239
—	9	0
—	11,093	13,381
—	22,384	32,578
—	18,406	19,432
19,532	36,226	27,620
93,517	93,517	110,539
8,453	32,061	24,287
127,106	989,967	1,033,088
127,106	2,430,277	2,411,306
2,094	142,100	136,789
22,596	328,560	334,962
—	48,730	44,441
—	251,413	211,374
—	4,593	7,083
—	54,855	58,669
—	22,470	22,777
3,090	61,661	61,970
118,416	118,416	101,319
515	744,044	735,438
—	343,809	386,868
—	125,138	82,783
—	64,931	54,630
—	26,073	19,573
146,711	2,336,793	2,258,676
(19,605)	93,484	152,630
—	1,241	3,749
—	91,231	109,580
—	(25,944)	(84,600)
682	204,532	263,971
(2,071)	(425,488)	(480,837)
(1,389)	(154,428)	(188,137)
(20,994)	(60,944)	(35,507)
119,459	346,049	425,085
—	40,549	(43,529)
$ 98,465	$ 325,654	$ 346,049

Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Budgetary Basis): General Fund, Special Revenue Funds and Debt Service Fund

For the Fiscal Year Ended June 30, 1987 **(Expressed in Thousands)**

	General Fund		
	Budget	**Actual**	**Variance Favorable (Unfavorable)**
Revenues:			
Unrestricted:			
Sales Tax	$ 577,000	$ 559,256	$ (17,744)
Individual Income Tax	—	—	0
Corporate Franchise Tax	—	—	0
Motor and Special Fuel Tax	—	—	0
Licenses, Fees and Permits	13,373	16,382	3,009
Interest on Investments	11,032	3,837	(7,195)
Miscellaneous Taxes and Other	89,395	82,659	(6,736)
Total Unrestricted Revenues	690,800	662,134	(28,666)
Restricted:			
Federal Grants and Contracts	454,177	454,177	0
Departmental Collections	102,128	104,779	2,651
Higher Education/Public Education Dedicated Credits	66,209	66,209	0
Aeronautics	—	—	0
Federal Mineral Lease	24,500	22,384	(2,116)
Interest on Investments	11,135	11,135	0
Miscellaneous	51,891	53,160	1,269
Total Restricted Revenues	710,040	711,844	1,804
Total Revenues	1,400,840	1,373,978	(26,862)
Intrafund Eliminations		(154,001)	
Total Revenues GAAP Basis		1,219,977	
Expenditures:			
Current:			
General Government	149,396	141,764	7,632
Social Services	351,413	346,977	4,436
Corrections	49,330	49,019	311
Health	290,711	289,831	880
Higher Education	321,987	321,743	244
Natural Resources	60,284	55,384	4,900
Business, Labor and Agriculture	27,177	22,824	4,353
Community and Economic Development	67,067	58,914	8,153
Public Education	—	—	0
Transportation and Public Safety	45,131	44,931	200
Debt Service:			
Principal Retirement	—	—	0
Interest Charges	7,270	7,270	0
Total Expenditures	1,369,766	1,338,657	31,109
Higher Education Appropriated Expenditures included as Transfers	(246,625)	(246,625)	
Intrafund Eliminations		(154,001)	
Total Expenditures GAAP Basis		938,031	
Excess of Revenues Over (Under) Expenditures	277,699	281,946	4,247
Other Financing Sources (Uses):			
Proceeds of Revenue Bonds/Contracts	1,241	1,241	0
Proceeds of General Obligation Bonds	—	—	0
Payment to Refunded Bond Escrow Agent	—	—	0
Operating Transfers In (Note N)	85,350	85,350	0
Operating Transfers Out (Note N)	(354,202)	(354,202)	0
Total Other Financing Sources (Uses)	(267,611)	(267,611)	0
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	10,088	14,335	4,247
Beginning Fund Balances	118,776	118,776	0
Residual Equity Transfers (Note N)	29,349	29,349	0
Ending Fund Balances	$ 158,213	$ 162,460	$ 4,247

The accompanying notes are an integral part of the financial statements.

Special Revenue Funds			Debt Service Fund		
Budget	**Actual**	**Variance Favorable (Unfavorable)**	**Budget**	**Actual**	**Variance Favorable (Unfavorable)**
$ —	$ —	$ 0	$ —	$ —	$ 0
484,000	533,190	49,190	—	—	0
81,000	69,409	(11,591)	—	—	0
117,200	120,612	3,412	—	—	0
36,000	34,838	(1,162)	—	—	0
11,000	7,940	(3,060)	—	—	0
15,900	12,336	(3,564)	—	—	0
745,100	778,325	33,225	0	0	0
242,201	242,201	0	—	—	0
13,309	13,309	0	—	—	0
9	9	0	—	—	0
9,736	11,093	1,357	—	—	0
—	—	0	—	—	0
—	—	0	4,190	4,006	(184)
13,196	13,220	24	2,179	2,623	444
278,451	279,832	1,381	6,369	6,629	260
1,023,551	1,058,157	34,606	6,369	6,629	260
	(2,154)			—	
	1,056,003			6,629	
—	—	0	—	—	0
—	—	0	—	—	0
—	—	0	—	—	0
—	—	0	—	—	0
—	—	0	—	—	0
—	—	0	—	—	0
—	—	0	—	—	0
—	—	0	—	—	0
754,638	745,683	8,955	—	—	0
316,356	299,650	16,706	—	—	0
—	—	0	64,931	64,931	0
—	—	0	20,275	18,803	1,472
1,070,994	1,045,333	25,661	85,206	83,734	1,472
	(2,154)			—	
	1,043,179			83,734	
(47,443)	12,824	60,267	(78,837)	(77,105)	1,732
—	—	0	—	—	0
—	—	0	25,944	25,944	0
—	—	0	(25,944)	(25,944)	0
48,204	48,204	0	60,679	60,679	0
(64,671)	(64,671)	0	(2,750)	(2,750)	0
(16,467)	(16,467)	0	57,929	57,929	0
(63,910)	(3,643)	60,267	(20,908)	(19,176)	1,732
10,960	10,960	0	23,837	23,837	0
11,200	11,200	0	—	—	0
$ (41,750)	$ 18,517	$ 60,267	$ 2,929	$ 4,661	$ 1,732

Combined Statement of Revenues, Expenses and Changes in Retained Earnings/Fund Balances - All Proprietary Fund Types and Similar Trust Funds

For the Fiscal Year Ended June 30, 1987 (Expressed in Thousands)

	Proprietary Fund Types		Fiduciary Fund Types	
	Enterprise	Internal Service	Non-Expendable Trust	Pension Trust
Operating Revenues:				
Interest on Investments	$ 26,662	$ 7,626	$ —	$ 235,317
Liquor:				
Sales (Net of $12,613 Sales and School Lunch Tax)	68,659	—	—	—
Licenses, Permits and Fees	350	—	—	—
Charges for Services/Premiums	61,448	94,223	—	—
Interest on Mortgages/Notes	67,709	—	—	—
Member Contributions	—	—	—	173,841
Miscellaneous	2,722	—	1,125	2,264
Total Operating Revenues	227,550	101,849	1,125	411,422
Cost of Goods Sold	45,746	—	—	—
Gross Profit	181,804	101,849	1,125	411,422
Operating Expenses:				
Administrative	25,665	26,511	—	2,075
Rentals and Leases	782	2,447	—	—
Maintenance	298	3,296	—	—
Interest	85,373	13	—	—
Depreciation	930	7,596	—	313
Benefit Claims	79,203	41,140	—	74,845
Contribution Refunds	—	—	—	22,794
Supplies and Other Miscellaneous	1,090	17,012	—	—
Total Operating Expenses	193,341	98,015	0	100,027
Total Operating Income (Loss)	(11,537)	3,834	1,125	311,395
Non-Operating Income (Expenses):				
Interest on Investments	11,232	—	—	—
Gain on Investments	828	—	—	—
Loss on Sale of Fixed Assets	(3)	(125)	—	—
Total Non-Operating Income (Expenses)	12,057	(125)	0	0
Income Before Operating Transfers	520	3,709	1,125	311,395
Operating Transfers In (Note N)	—	86	—	—
Operating Transfers Out (Note N)	(17,305)	(1,247)	(183)	(7,020)
Net Income (Loss)	(16,785)	2,548	942	304,375
Beginning Retained Earnings/Fund Balances	147,943	41,209	21,940	2,216,999
Adjustment to Beginning Retained Earnings (Note C)	(1,290)	(137)	—	1,245
Beginning Retained Earnings/Fund Balances as Adjusted	146,653	41,072	21,940	2,218,244
Ending Retained Earnings/Fund Balances Before Dividends	129,868	43,620	22,882	2,522,619
Dividends Declared	(8,400)	—	—	—
Residual Equity Transfers (Note N)	—	230	—	—
Ending Retained Earnings/Fund Balances	$ 121,468	$ 43,850	$ 22,882	$ 2,522,619

The accompanying notes are an integral part of the financial statements.

Combined Statement of Changes in Financial Position - All Proprietary Fund Types and Similar Trust Funds

For the Fiscal Year Ended June 30, 1987 (Expressed in Thousands)

	Proprietary Fund Types		Fiduciary Fund Types	
	Enterprise	Internal Service	Non-Expendable Trust	Pension Trust
Sources of Working Capital:				
Operations:				
Net Income (loss)	$ (16,785)	$ 2,548	$ 942	$ 304,375
Items Not Requiring Working Capital:				
Depreciation	915	7,596	—	313
Amortization of Deferred Charges/Revenue	2,232	—	—	—
Loss on Disposition of Property and Equipment	3	125	—	—
Total Sources from Operations	(13,635)	10,269	942	304,688
Increase in Advance from Other Funds	—	5,981	—	—
Increase in Policy Claim Liabilities	36,864	1,793	—	—
Increase in Notes Payable	11,731	—	—	—
Additions to Long-Term Debt	243,294	—	—	—
Increase in Contributed Working Capital (net of $245 accumulated depreciation transferred in from General Fixed Assets Account Group)	475	5,209	—	—
Decrease in Other Investments	24,324	6,082	—	360,571
Decrease in Mortgages/Notes Receivable	102,236	4,330	—	—
Proceeds on Disposal of Property and Equipment	32	1,576	19	—
Decrease in Deferred Charges	855	—	—	—
Total Sources of Working Capital	406,176	35,240	961	665,259
Uses of Working Capital:				
Net Policyholder Dividend Declared	8,400	—	—	—
Increase in Other Investments	44,367	—	1,766	691,211
Increase in Mortgages/Notes Receivable	79,331	7,803	—	—
Acquisition of Property and Equipment (net of $245 accumulated depreciation transferred in from ~~General~~ Fixed Assets Account Group)	917	10,027	—	884
Decrease in Deposits in Custody	120	—	—	—
Decrease in Advance from Other Funds	—	4,188	—	—
Decrease in Notes Payable	6,277	15	—	—
Payments on Long-Term Debt	233,558	36	—	—
Decrease in Contributed Working Capital	10,415	35,171	—	—
Total Uses of Working Capital	383,385	57,240	1,766	692,095
Net Increase (Decrease) in Working Capital	$ 22,791	$ (22,000)	$ (805)	$ (26,836)
Elements of Net Increase (Decrease) in Working Capital:				
Cash and Cash Equivalents	$ 82,972	$ (26,105)	$ (1,617)	$ 1,145
Accounts Receivable/Due From Other Funds	1,008	2,043	1,012	(2,671)
Notes Receivable Current Portion	759	(1,077)	—	—
Accrued Interest	(7,746)	81	—	—
Inventories	244	(298)	—	—
Prepaid Expenses	(343)	(20)	—	—
Vouchers Pay./Acc. Liab./Due to Other Funds	(433)	4,987	(200)	(25,310)
Deposits in Custody Current Portion	(2,399)	(1,631)	—	—
Deferred Revenue	595	(13)	—	—
Current Portion of Long-Term Obligations	(51,866)	33	—	—
Net Increase (Decrease) in Working Capital	$ 22,791	$ (22,000)	$ (805)	$ (26,836)

The accompanying notes are an integral part of the financial statements.

Combined Statement of Changes in Fund Balances - College and University Fund Types

For the Fiscal Year Ended June 30, 1987 (Expressed in Thousands)

	Current Funds				Plant Funds			
	Unrestricted	Restricted	Loan Funds	Endowment Funds	Unexpended	Renewal and Replacement	Retirement of Indebtedness	Investment in Plant
Revenues and Other Additions:								
Educational and General Revenues	$ 151,840	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Auxiliary Enterprises Revenues	69,389	—	—	—	—	—	—	—
Sales and Services of Hospital	119,318	—	—	—	—	—	—	—
Tuition and Fees - Restricted	—	6,602	—	—	2,251	2,729	766	973
Private Gifts, Grants and Contracts	—	24,885	56	6,401	19,385	102	38	676
Governmental Grants and Contracts	—	146,092	1,443	—	3,861	—	—	—
Federal Appropriations	—	3,340	—	—	532	—	—	715
Investments and Endowment Income	—	5,963	87	958	3,512	506	1,156	—
Interest on Loans Receivable	—	—	692	—	—	—	—	—
Expended for Plant Facilities (including $31,181 from current funds)	—	—	—	—	—	—	—	65,758
Retirement of Indebtedness	—	—	—	—	510	—	—	18,261
Other	—	5,345	89	7	375	61	118	9,033
Total Revenues	340,547	192,227	2,367	7,366	30,426	3,398	2,078	95,416
Expenditures and Other Deductions:								
Educational and General Expenditures	343,952	195,448	24	—	—	—	—	—
Auxiliary Enterprises Expenditures	64,178	566	—	—	—	—	—	—
Hospital Expenditures	112,331	—	—	—	—	—	—	—
Indirect Costs Recovered	—	20,286	12	—	—	—	—	—
Refunded to Grantors	—	59	28	—	—	—	—	—
Loan Cancellations and Write-Offs	—	—	668	—	—	—	—	—
Administrative and Collection Costs	—	—	156	—	—	—	—	—
Expended for Plant Facilities (including noncapitalized expenditures of $3,521)	—	—	—	—	28,556	9,542	—	—
Retirement of Indebtedness	—	—	—	—	—	—	18,834	—
Interest on Indebtedness	—	—	—	—	56	—	5,893	—
Disposal of Plant Facilities	—	—	—	—	—	—	—	15,252
Other	1,526	824	165	21	129	27	475	101
Total Expenditures and Other Deductions	521,987	217,183	1,053	21	28,741	9,569	25,202	15,353
Transfers Among Funds-Additions (Deductions):								
Mandatory Transfers, net	(5,216)	440	—	30	(1,754)	1,635	4,810	55
Nonmandatory Transfers, net	(12,207)	(1,554)	18	431	5,619	11,300	14,611	(18,217)
Operating Transfers From General Fund	211,208	35,382	35	—	—	—	—	—
Total Transfers	193,785	34,268	53	461	3,865	12,935	19,421	(18,162)
Net Increase (Decrease) in Fund Balances Before Extraordinary Item	12,345	9,312	1,367	7,806	5,550	6,764	(3,703)	61,901
Extraordinary Item - Loss on Early Extinguishment of Debt (Note O)	—	—	—	—	—	—	(733)	(2,398)
Net Increase (Decrease) in Fund Balances	12,345	9,312	1,367	7,806	5,550	6,764	(4,436)	59,503
Beginning Fund Balances	70,995	41,909	34,779	51,874	33,606	4,420	18,834	850,030
Ending Fund Balances	$ 83,340	$ 51,221	$ 36,146	$ 59,680	$ 39,156	$ 11,184	$ 14,398	$ 909,533

The accompanying notes are an integral part of the financial statements

Combined Statement of Current Funds Revenues, Expenditures and Other Changes - Colleges and Universities

For the Fiscal Year Ended June 30, 1987 (Expressed in Thousands)

	Total Unrestricted	Total Restricted	Total Current Funds
Revenues:			
Educational and General:			
Tuition and Fees	$ 71,556	$ 6,272	$ 77,828
Federal Appropriations	420	3,277	3,697
Governmental Grants and Contracts	20,008	115,180	135,188
Private Gifts, Grants and Contracts	857	24,635	25,492
Investment and Endowment Income	9,586	5,492	15,078
Sales and Services of Educational Departments	46,928	2,125	49,053
Other	2,485	3,606	6,091
Total Educational and General	151,840	160,587	312,427
Sales and Services of Hospital	119,318	—	119,318
Auxiliary Enterprises Revenues	69,389	—	69,389
Total Revenues	340,547	160,587	501,134
Expenditures and Mandatory Transfers:			
Educational and General:			
Instruction	159,282	36,289	195,571
Research	6,257	84,059	90,316
Public Service	29,346	31,541	60,887
Academic Support	37,630	6,009	43,639
Student Services	17,265	3,571	20,836
Institution Support	44,418	3,914	48,332
Operation and Maintenance of Plant	41,613	3,682	45,295
Student Aid	8,141	26,383	34,524
Total Educational and General Expenditures	343,952	195,448	539,400
Hospital Expenditures	112,331	—	112,331
Auxiliary Enterprises Expenditures	64,178	566	64,744
Other	1,526	824	2,350
Mandatory Transfers, net Out(In)	5,216	(440)	4,776
Total Expenditures and Mandatory Transfers	527,203	196,398	723,601
Other Transfers and Additions(Deductions):			
Excess of Restricted Receipts Over Transfers to Revenues	—	11,320	11,320
Refunded to Grantors	—	(59)	(59)
Nonmandatory Transfers, net	(12,207)	(1,554)	(13,761)
Operating Transfers From General Fund	211,208	35,382	246,590
Other	—	34	34
Total Other Transfers & Additions(Deductions)	199,001	45,123	244,124
Net Increase in Fund Balances	$ 12,345	$ 9,312	$ 21,657

The accompanying notes are an integral part of the financial statements.

Notes to the Combined Financial Statements

Year Ended June 30, 1987

FINANCIAL STATEMENTS AND DESCRIPTION OF FUNDS AND ACCOUNT GROUPS

1. Financial Statements

The accompanying financial statements of the State of Utah present the financial position of the various fund types and account groups, the results of operations of the various fund types, and the changes in financial position of the proprietary and similar trust funds. The financial statements are presented as of June 30, 1987, and for the year then ended. The financial statements include the various departments, agencies and other organizational units governed by the Utah State Legislature and/or Constitutional Officers of the State of Utah.

A total column (memorandum only) has been added to certain statements. The total column includes interfund activity and is not comparable to a consolidated financial statement, but is presented only to facilitate financial analysis. Data in this column does not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles.

The financial activities are recorded in individual funds classified by type and described below, each of which is deemed to be a separate accounting entity. The financial position and operations of each fund are accounted for in separate self-balancing accounts which represent the fund's assets, liabilities, equities, revenues and expenditures.

2. Governmental Fund Types

General Fund:

The General Fund is the principal operating fund of the State. It is used to account for all financial resources which are not accounted for in other funds. The services accounted for in the General Fund include, among others, general government, public safety, judicial, public health and welfare, licensing and regulation, and education. Resources obtained from federal grants and used for services provided by General Fund entities, consistent with applicable legal requirements, are recorded in the General Fund.

Special Revenue Funds (Uniform School Fund and Transportation Fund):

The Special Revenue Funds are used to account for specific revenue sources that are legally restricted for expenditures for specified purposes. Special Revenue Funds include transactions related to the Office of Public Education and the Transportation Department.

Capital Projects Fund:

The Capital Projects Fund accounts for resources obtained and used for the acquisition, construction or improvement of certain capital facilities (except those financed by proprietary funds). Such resources are derived principally from proceeds of general obligation bond issues, revenue bonds, federal grants and operating transfers from the State's General Fund.

The State enters into long-term contracts for the construction of major capital projects and records the commitments as encumbrances to the extent funds are available. (See Note R.)

Debt Service Fund:

The Debt Service Fund accounts for resources obtained and used for the payment of interest and principal on general long-term debt obligations and on revenue bonds which are funded from governmental fund operations.

3. Proprietary Fund Types

Enterprise Funds:

The individual enterprise funds account for operations similar to a private business enterprise. The intent of the State is that the cost of providing the goods or services to the general public on a continuing basis be financed primarily through user charges.

Internal Service Funds:

A variety of independent operations comprise the Internal Service Funds, of which the Water Resources and Community Impact Loan Funds are the largest. The Water Resources Loan Fund provides loans to local governments, water districts and other entities for the purpose of upgrading water storage facilities and related structures. The Community Impact Loan Fund provides loans to local governments to alleviate social, economic, and public financial impacts resulting from the development of the State's natural resources. (Grants authorized by the Community Impact Loan Board amounting to $6,016,000 were transferred to and expended in the General Fund.) The other internal service operations provide goods and/or services to other State departments and political sub-divisions on a cost reimbursement basis. The Risk Management Fund provides a broad range of property and liability insurance coverage to all State agencies and to several voluntarily participating school districts.

4. Fiduciary Fund Types

Fiduciary Funds account for assets held by the State in a trustee capacity or as an agent for other individuals, other governmental units, or other funds. Fiduciary funds are comprised of:

a. Pension Trust Funds which account for the transactions, assets, liabilities and fund equity of the State Retirement Systems.

b. The Non-Expendable Trust Fund which accounts for the transactions, assets, liabilities and fund equity of the State Land Board. The Land Board Fund was created from Federal Enabling Act land grants and the sale of such lands. The earnings of the fund are primarily used to support education in the State.

c. Expendable Trust Funds which account for assets received and expended by the State as trustee and include the following funds:

Unemployment Compensation, Second Injury, Indian Affairs, and miscellaneous small deposits held in a trustee capacity that are consolidated into the Restricted Trust Fund.

d. Agency Funds which account for assets held by the State as an agent for other governmental units, other organizations, or individuals.

5. Account Groups

General Fixed Assets Account Group:

The General Fixed Assets Account Group is used to account for land, buildings, and equipment of the governmental fund types. Fixed assets of the trust funds, proprietary fund types, and colleges and universities are accounted for separately in their respective funds.

General Long-Term Obligation Account Group:

The General Long-Term Obligation Account Group accounts for the State's unmatured long-term obligations related to general government bonds, revenue bonds, capital lease obligations, and leave obligations except long-term obligations accounted for in the proprietary funds, the trust funds, and the college and university funds.

6. College and University Funds

The College and University Funds include:

a. Current Funds which account for unrestricted funds over which the governing boards retain full control in achieving the institutions' purposes and restricted funds which may be utilized only in accordance with externally restricted purposes.

b. Loan, Endowment, and Agency Funds which account for assets in which the universities act in a fiduciary capacity.

c. Plant Funds which account for institutional property acquisition, renewal, replacement and debt service.

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. All Funds

Grants:

Federal grants and assistance awards made on the basis of entitlement periods are recorded as revenues when entitlement occurs. All Federal reimbursement type grants in governmental funds are recorded as revenues when the related expenditures are incurred.

Retirement and Employee Benefit Costs:

Full time State employees participate in the State Retirement System. Contributions collected for the State Retirement System, as well as the retirement benefits paid are accounted for in the Pension Trust Funds. All costs for pension, health and Federal Social Security benefits in governmental fund types are reported as personnel service expenditures in the appropriate fund. Benefit costs applicable to proprietary fund types are reflected as expenses in the proprietary funds.

Interfund Transactions:

The State basically has three types of interfund transactions, as follows:

a. Services rendered and employee benefit contributions. These transactions are accounted for as revenues, expenditures or expenses in the funds involved.

b. Operating appropriations/subsidies. These are accounted for as operating transfers in the funds involved.

c. Equity and working capital contributions. These are accounted for as residual equity transfers (additions to or deductions from beginning governmental fund balances or proprietary fund contributed capital).

The composition of the State's interfund receivables and payables at June 30, 1987 is presented in Note F.

Intrafund Transactions:

Intrafund transfers, as a result of contracts between departments and/or agencies, are considered expenditures by the contractor and revenues by the contractee for budgetary purposes. However, in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances, all intrafund revenues and expenditures have been eliminated. The amount of the eliminations by fund is reflected in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual.

2. Governmental Fund Types, Expendable Trust Funds and Agency Funds

Basis of Accounting:

All governmental funds, expendable trust funds and agency funds are maintained and reported using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues and related current assets are recognized when measurable and available to finance operations during the year or to liquidate liabilities existing at the end of the year. Principal revenue sources susceptible to accrual under the modified accrual basis of accounting include federal revenues, departmental collections, and interest on investments. Expenditures are recorded when the fund liabilities are incurred. Modifications to the accrual basis of accounting include:

- Sales taxes, income taxes, and other self-assessed taxes are recognized as revenues in the period in which they are received. For tax returns filed by June 30, 1987, a liability has been recorded for tax refunds due.

- Inventories of materials and supplies in the General Fund and Special Revenue - Uniform School Fund, excluding area vocational centers, are recorded as expenditures when received. In the Special Revenue - Transportation Fund and area vocational centers, these inventories are recorded as expenditures when utilized.
- Prepaid expenses are not recorded.
- Employees' vested annual leave, sick leave and compensatory leave are recorded as expenditures when utilized. The amount of accumulated annual leave and compensatory leave unpaid at June 30, 1987 has been reported in the General Long-Term Obligation Account Group. (See Note S.)
- Interest on long-term obligations reflected in the General Long-Term Obligation Account Group is recognized in the Debt Service Fund when it becomes payable.

Accounts Receivable:

Accounts Receivable are mainly due from the Federal Government and collectibility is reasonably assured. Therefore, no allowance for uncollectible accounts has been established.

Accounts Receivable for the Unemployment Compensation Expendable Trust Fund consists largely of delinquent employee contributions and benefit overpayments. These receivables are shown net of an allowance for doubtful accounts of approximately $15,723,000.

Receivables Unbilled:

The receivables unbilled represent an amount equal to costs incurred by the Department of Transportation on highway construction projects which are eligible for reimbursement from the Federal government upon modification and approval of the related project contracts. When Federal funds are available for recovery of the costs, the receivables will be billed.

Notes Receivable:

The notes receivable are primarily long-term loans to local governments and agricultural development loans to individuals. The interest rates on the loans vary but are generally lower than market rates and, in some cases, are non-interest bearing. No provisions for loan losses have been provided.

Investments:

Investments are stated at cost. (See Notes D & E.)

Inventory:

Inventory for the Special Revenue-Transportation Fund is valued at average cost.

Capital Outlays:

Principally all capital expenditures ~~for~~ the acquisition or construction of State fixed assets are reported as capital outlays in the Capital Projects Fund. Interest expense during construction of capital facilities is considered immaterial and is, therefore, not capitalized.

Deferred Revenue:

General Fund deferred revenue is principally federal funds received in advance of the authorized expenditure.

Special Revenue Funds deferred revenues include amounts expended by the Transportation Fund on federally participating construction projects which are eligible for reimbursement but the funds are not available until a modified contract is submitted and approved. These amounts will be billed to the Federal government and recorded as revenue in future periods as funds become available.

Deposits:

Construction contracts let by the Department of Transportation (DOT) (Special Revenue Fund) and in the Capital Projects Fund usually include provisions to withhold a percentage of the payments until the project reaches a certain stage of completion. Utah law allows the departments to deposit these funds in an escrow account at a bank or institution selected by the contractor. At June 30, 1987, $9,995,000 from the Transportation Fund and $491,000 from the Capital Projects Fund were being held in escrow to defease the liability to the State. Therefore, these escrow funds are not included in the Financial Statements.

Encumbrances:

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed in the Capital Projects Fund as detailed in Note R. Encumbrances outstanding at year end for purchase orders in the General Fund and Special Revenue Funds which were ordered before May 1 and whose delivery was expected before fiscal year end are reported as reservations of fund balances.

3. Enterprise, Internal Service, Non-Expendable Trust, Pension Trust

Basis of Accounting:

The accounts of the Enterprise, Internal Service, Non-Expendable Trust, and Pension Trust Funds are reported using the accrual basis of accounting. Under the accrual basis, revenues are recorded when earned and expenses are recorded when the related liability is incurred. Also, the funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Reported fund equity (net total assets) is segregated into contributed working capital and retained earnings components.

Investments:(See Notes D & E.)

Investments in short term interest bearing securities such as Time Certificates of Deposit are stated at cost which approximates market. Bond investments of the funds are stated at amortized cost.

Equity securities (stocks) are stated at cost which is lower than market at the balance sheet date.

All other investments are recorded at cost net of any premium or discount.

Notes/Mortgages Receivable:

Notes and mortgages have interest rates as established by law. These rates vary by issue but are usually lower than the going market rates and in the case of some of the Internal Service Funds notes receivable, are non-interest bearing. Student loans in the Student Assistance Programs of the Enterprise Fund are guaranteed by governmental agencies. In addition, mortgages receivable of the Utah Housing Finance Agency are insured against loss or are guaranteed by private mortgage companies or governmental agencies. Because of the guarantees, no provisions for possible loan losses have been provided.

Inventory:

Inventory for the Enterprise (Alcoholic Beverage Control) Fund is valued at replacement cost which approximates lower of cost or market on the First-In-First-Out (FIFO) basis. Inventory for the Internal Service Funds is valued at lower of cost (weighted average method) or market.

Deferred Charges:

Deferred charges represent issuance costs on bonds which are amortized over the life of the issue using the bonds outstanding method, which approximates the interest method.

Buildings and Equipment:

Significant buildings and equipment of the Funds are stated at cost and are depreciated on a straight-line basis over their estimated useful lives which extends to 40 years on buildings and 3-12 years on equipment. Automotive equipment in the Internal Service Fund is depreciated using a "units-of-production" method, based on mileage.

Land:

Land is stated at cost. However, in the Non-Expendable Trust Funds the amount for land represents the unpaid mortgage contracts receivable on lands that were repossessed by the State Land Board. In addition, lands owned by the State totaling 3,757,000 acres which were acquired under the *Federal Enabling Act* of 1894 are included for reporting purposes at the assigned value of approximately one dollar per acre.

Policy Claim Liabilities:

The liabilities are for insurance claims incurred prior to the reporting date and are based on actuarial estimates.

4. General Fixed Assets Account Group

Basis of Accounting:

Fixed assets used in governmental type operations (general fixed assets) are recorded as expenditures in the governmental funds and capitalized in the General Fixed Assets Account Group. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, including roads, bridges, dykes, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems have not been capitalized. Such assets normally are immovable and of value only to the State.

Land, buildings, and other fixed assets are recorded at historical cost or at estimated historical cost where historical cost is not available. Donated fixed assets are valued at their estimated fair value at the date of donation. No depreciation has been provided on general fixed assets.

5. General Long-Term Obligation Account Group

Basis of Accounting:

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Obligation Account Group. The amounts reported in the Combined Balance Sheet for this Account Group included: $255,155,000 of general obligation bonds which will be paid from the General Fund or Special Revenue Fund appropriations as they mature; $26,100,000 of certificate of participation revenue bonds which are secured by the assets purchased from bond proceeds and will be paid from lease payments from State agencies as well as from General Fund appropriations; $2,812,000 of contract obligations which will be paid from General Fund appropriations; and $3,332,000 of obligations under lease commitments. (See Notes H & I.)

State employees are allowed to accumulate a limited amount of unused annual and compensatory leave which would be paid to them upon separation. In addition, certain retirement benefits are available from accumulated sick leave. In the governmental fund types, the cost of annual leave, compensatory leave and retirement benefits is recognized when used. A long-term liability of $36,248,000 for the accumulated leave and benefits has been reported in the General Long-Term Obligation Account Group for the accumulated balance at June 30, 1987. (See Note S.)

6. College and University Funds

Basis of Accounting:

The College and University Funds are accounted for on the accrual basis of accounting, with the following exceptions:

- Depreciation expense related to plant fund assets generally is not recorded.
- Revenues and expenditures of an academic term encompassing more than one fiscal year are solely reported in the fiscal year in which the program is predominantly conducted.

Inventories:

Inventories are stated at lower of cost or market using various valuation methods which include the First-In-First-Out (FIFO), weighted average and weighted moving average bases.

Principles of Reporting:

The College and University Funds are an aggregate of the institutions' separate financial statements. The presentation is not meant to be a consolidation since transactions within the State entity have not been eliminated nor have fixed assets or long-term debt been reported in the applicable State's account groups. However, appropriations to the colleges and universities are recorded as operating transfers out in the General Fund and as operating transfers in to the College and University Funds.

7. Budgeting and Budgetary Control

Summarization of final budgets adopted by the Legislature and as legally amended, for the General, the Special Revenue (Uniform School, Transportation) and the Debt Service Funds are presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual. The legislative authorization (budget) for expenditures appears in the State *Appropriation Act* which also identifies the source of funding for the budgeted amounts. Appropriations are identified by line item and expenditures may not legally exceed any line item of appropriation. During the fiscal year ended June 30, 1987, the Special Revenue Fund (Transportation Fund) had one line item that overspent their budget by a total of $185,000. This expenditure will need to be recovered in the next fiscal year.

If the sources of funding are not sufficient to cover the appropriations, the Governor is required to reduce the budget by the amount of such deficiency. Additionally, the 1987 Legislature reduced authorized fiscal year 1987 budgets due to shortfall of tax revenues. Reductions in fiscal year 1987 have been made for shortfalls in departmental collections, dedicated credits and federal revenue. These reductions are also reflected on the above mentioned statement in the "Budget" amount. This amount is also reduced by amounts transferred to the Capital Projects Fund for major capital expenditures as controlled by the State Division of Facilities Construction and Management. In addition, the "Budget" amount may have been increased if supplemental appropriations were enacted or if departmental collections, dedicated credits or federal funds exceeded the source of funding amount in the *Appropriation Act*. The expenditure of the excess funds may be made for legislative approved purposes if permitted by the Governor. Any other changes to the "Budget" must be approved by the legislature in a supplemental appropriation.

The expenditures on the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual are reported on the budgetary basis. Therefore, certain intrafund transactions have been eliminated from revenue and expenditures as reflected on the Combined Statement of Revenues, Expenditures, and Changes in Fund Balances to arrive at the GAAP basis actual expenditures.

The variance between total budgeted expenditures and actual expenditures, as reported on the above mentioned statement may result in amounts which would: 1) "Lapse to Unreserved Fund Equity" and these funds become available for future appropriation; 2) "Lapse to Restricted and Other" and these funds become available for future appropriation, but the future appropriation must be for a specific purpose as restricted by statute; or 3) "Non Lapse" which means the funds are still available for expenditure as authorized by statute or by the *Appropriation Act*.

The budgets for Unrestricted (free) Revenues reflected in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual are based on the latest projected economic conditions as determined by the State Budget Office prior to the beginning of the fiscal year. The budgets for Restricted Federal Revenues are, for the most part, based on the actual receipt of Federal Contracts or Grants reduced by the revenues not expended in the current fiscal year. Other Restricted Revenue budgets are primarily based on actual collections.

NOTE B. FINANCIAL REPORTING ENTITY

For financial reporting purposes the State of Utah includes all funds, account groups, agencies, boards, commissions and authorities that are controlled by or dependent on the State's executive or legislative branches. Control or dependency on the State was determined on the basis of whether the State exercises budgetary control, management control, funding control, debt level controls, or control over the appointment of the administrative bodies. Entities such as the State school districts which may meet only one of the criteria for inclusion in this report as stated in the Governmental Accounting Standards Board Codification section 2100, have not been included because they do not fall within the oversight responsibility of the State's elected officials. (The State's support of the public education system is reported in the Uniform School Fund.)

Based on the foregoing control or dependency factors, the State has included the following entities in the Comprehensive Annual Financial Report.

Notes to the Combined Financial Statements

Area Vocational Centers (Special Revenue Fund):

The State Office of Education has oversight responsibility for the five Area Vocational Centers in the State. They are: Bridgerland, Davis, Ogden-Weber, Sevier Valley, and Uintah Basin. The Centers offer vocational education in various subjects. The Centers receive annual State appropriations for their operations. The individual Centers were audited by other independent auditors, and individual reports, dated from August 19, 1987 to August 31, 1987, have been previously issued under separate cover.

Unemployment Compensation Trust Fund:

The Unemployment Compensation Trust Fund is financed from employer contributions, federal grants, and direct reimbursements from non-contributing employers. The Utah Department of Employment Security has a fiduciary responsibility to administer the Fund. The Department's management and operation are under the supervision of the State Industrial Commission. The Commission is appointed by the Governor and approved by the Senate, and is an integral part of State Government.

Utah Housing Finance Agency (Enterprise Fund):

The Utah Housing Finance Agency issues bonds to provide capital for housing and home mortgages especially for low and moderate income families. Operations are financed from bond proceeds and mortgage and investment interest and fees. The administrative body is made up of State officials and citizens appointed by the Governor. The Fund was audited by other independent auditors, and their report, dated September 11, 1987, has been previously issued under separate cover.

Worker's Compensation (State Insurance Enterprise Fund):

The Worker's Compensation Fund provides worker's compensation insurance and is financed through member (employer) premiums. The Fund's management is appointed by the Executive Director of the Department of Administrative Services and approved by the Governor. Administrative operations are subject to State control and administrative budgets are controlled by the State Legislature. The Fund is reported for the period ended December 31, 1986, and is an integral part of State government.

Utah Technology Finance Corporation (Enterprise Fund):

The Utah Technology Finance Corporation is a non-profit organization which encourages and assists in the development, promotion, and growth of technological and small businesses throughout the State. The corporation receives State appropriations as part of its operating money. The board of trustees includes two members from the legislature with the remaining members being appointed by the Governor with Senate approval.

Alcoholic Beverage Control Commission (Enterprise Fund):

The Alcoholic Beverage Control Commission administers the Alcoholic Beverage Control Act with financing from operations which includes the sale of liquor products. The Commission's operations, policies and administrative expenses are subject to legislative and executive control. The Commissioners are appointed by the Governor with Senate approval. All property of the Commission is State property and all profits from operations are remitted to the State General Fund.

Student Assistance Programs (Enterprise Fund):

The Student Assistance Programs present combined information from two student assistance programs; the Higher Education Assistance Authority, which guarantees repayment of eligible student loans and the State Board of Regents Student Loan Purchase Program, which makes loans to and purchases loans of eligible students. The programs are funded from loan fees, interest and federal allowances. Both programs are administered by the State Board of Regents. The Regents are appointed by the Governor subject to Senate approval. The Board's operations and administrative expenses are subject to legislative and executive control. The Student Assistance Programs were audited by other independent auditors, and their reports, dated September 8, 1987, have previously been issued under separate cover.

Deferred Compensation Plan (Agency Fund):

The Deferred Compensation Fund, which is administered by the Utah State Retirement Board, is a voluntary deferred compensation program available to eligible public employees in the State of Utah whose employing unit participates in the Utah Retirement Systems. Under this program, compensation is deferred for income tax purposes under Section 457 of the Internal Revenue Code, and is placed into an investment option at the election of the individual employee. As defined by Section 457, these funds are available to the creditors of contributing employers until such time as it becomes payable to the participant. The State believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future. The Fund was audited by other independent auditors for the period ended December 31, 1986, and their report, dated April 10, 1987, has been previously issued under separate cover.

Utah State Retirement Office (Pension Trust Funds):

The State Retirement Office administers pension funds for various public employee retirement systems of the State and its political subdivisions. The Office is subject to State legislative and executive controls. The Governor, with Senate approval, appoints the Administrative Board. The administrative expenses are subject to legislative budget controls. The Funds were audited by other independent auditors for the period ended December 31, 1986, and their report, dated April 10, 1987, has been previously issued under separate cover.

Utah Public Employees Group Insurance (Internal Service Fund):

The Group Insurance Fund provides health and life insurance and is financed by employee and employer contributions from the State and other participating political subdivisions. The Fund is administered by the State Retirement Office which is subject to legislative and executive control. The Fund was audited by other independent auditors and their report, dated September 9, 1987, has been previously issued under separate cover.

Universities, Colleges and Community Colleges (College and University Funds):

The State Board of Regents has oversight responsibility for the University of Utah, Utah State University, Weber State College, Southern Utah State College, Dixie College, College of Eastern Utah, Snow College, Salt Lake Community College, and Utah Valley Community College. Each college and university is governed by an Institutional Council. The Institutional Council is comprised of eight persons appointed by the Governor and approved by the Senate, the president of the institution's alumni association, and the president of the institution's associated students. The colleges and universities are funded through State appropriations, tuitions, federal grants, and private donations and grants. The colleges and universities were audited by the State Auditor or other independent auditors, and individual reports, dated from September 24, 1987 to October 23, 1987, have been previously issued under separate cover.

NOTE C. CHANGES IN ACCOUNTING PRINCIPLES AND REPORTING PRACTICES

The State of Utah made several changes in accounting principles and reporting practices effective July 1, 1986, in order to conform with generally accepted accounting principles. The following is a summary of the changes made to assets, liabilities and fund equities as of July 1, 1986.

Enterprise Funds:

In fiscal year 1986 the Utah Housing Finance Agency erroneously excluded bond financing costs of $1,894,000, applicable to early bond calls, and interest income of $612,000. The net effect of the above errors was to decrease the beginning retained earnings balance by $1,282,000.

In prior years, the Blind Industries Fund had $8,000 of contributed capital misclassified as a reduction in contributed capital instead of retained earnings. As a result, beginning retained earnings have been decreased and contributed capital has been increased by $8,000 respectively.

Internal Service Funds:

In prior years, Central Service Internal Service Funds, including Central Administration, Central Mailing, Central Stores, Motor Pool, and Central Printing, were reported as separate internal service funds. Beginning July 1, 1986, the funds were consolidated as a single internal service fund (the Central Service Fund) for financial reporting.

In prior years, the Data Processing Internal Service Fund had $137,000 of contributed capital erroneously classified as retained earnings. As a result, beginning retained earnings have been decreased and contributed capital has been increased by $137,000, respectively.

Trust and Agency Funds:

In prior years, a portion of the 457 Deferred Compensation Plan was not reported in these financial statements. Complete information was not previously available as the funds are administered by a management company outside of the State entity. The funds were added to comply with the Governmental Accounting Standards Board Statement 2 "Financial Reporting of Deferred Compensation Plans Adopted under the Provisions of Internal Revenue Code Section 457". The addition of the program increases assets and liabilities of the agency funds by $51,607,000 at July 1, 1986.

Also in prior years, the 401K Deferred Compensation Plan was reported as an agency fund. In the current year, the Plan is reported as part of the Pension Trust Fund. As a result, the beginning assets and liabilities for the agency funds and beginning assets and fund balance of the Pension Trust Fund have respectively decreased and increased by $1,245,000.

NOTE D. CASH AND CASH EQUIVALENTS AND OTHER INVESTMENTS

1. Cash and Cash Equivalents

Cash equivalents are carried at cost or amortized cost which approximates market. All interest revenue is allocated to the General Fund except allocations required by law to be made to other funds. The interest revenue allocated to the General Fund is reduced when any of the funds consistently reflects a deficit cash position.

"Cash and Cash Equivalents" as reported on the balance sheets, may be under the control of the State Treasurer or by other administrative bodies as determined by law. All cash deposited with the State Treasurer by State entities is maintained by the Treasurer in various pooled investment funds. The State Treasurer invests the deposited cash including the cash float in short-term securities and other investments.

2. Other Investments

"Other Investments" as reported on the balance sheets, include long-term investments. These investments may be restricted by law or other legal instruments. "Other Investments" may be under the control of the State Treasurer or by other administrative bodies as determined by law. These investments are carried at amortized cost.

NOTE E. DEPOSITS AND INVESTMENTS PORTFOLIO

Listed below is a summary of the deposit and investment portfolio that represents the Cash and Cash Equivalents and Other Investments on the June 30, 1987 balance sheets. Investing is governed by the prudent man rule in accordance with the Money Management Act, Section 51-7, *Utah Code Annotated, 1953*, as amended. All securities purchased or held and all evidence of deposits and investments must be in the custody of the State or deposit may be made with an agent in the State's name. Investment transactions may only be conducted through qualified depositories or primary reporting dealers.

1. Deposits

At June 30, 1987, the carrying amount of the State's deposits was $135,168,000. At June 30, 1987, the bank balance was $182,962,000. Of the bank amount, $4,210,000 is covered by the Federal Deposit Insurance Corporation and the remaining deposits are uninsured and uncollateralized and are held by various financial institutions. The State of Utah does not require collateral on deposits. However, the State Commissioner of Financial Institutions monitors financial institutions monthly and establishes limits for deposit of public money at individual financial institutions.

2. Investments

Statutes authorize the State to invest in negotiable certificates of deposit issued by approved banks and savings and loans; repurchase agreements; commercial paper rated P-1 by Moodys Investor Services or A-1 by Standard and Poor's Inc.; bankers' acceptances; obligations of the U.S. Treasury, and certain agencies of the U.S. Government; bonds, notes and other indebtedness of political subdivisions of the State; shares or certificates in any open-end management investment company registered with the Securities and Exchange Commission subject to certain portfolio restrictions; guaranteed loans to college students; and certain secured debt of public housing authorities. Certain State entities are also allowed by statute to invest in equities, real estate, and other investments.

The following table (in thousands) provides information about the credit and market risks associated with the State's investments. Category 1 includes investments that are insured or registered or for which the securities are held by the State or its agent in the State's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the broker's or dealer's trust department or agent in the State's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent but not in the State's name.

	Category			Carrying Amount	Market Value
	1	2	3		
Repurchase Agreements	$ —	$ 40,000	$ 97,603	$ 137,603	$ 137,603
Short-Term Securities	315,715	821	301	316,837	316,629
U.S. Govt. Securities	248,309	—	29,680	277,989	287,818
Negotiable Certificates of Deposit	430,930	16	22,406	453,352	452,474
Commercial Paper	169,787	—	—	169,787	169,787
Corporate Bonds	1,070,871	—	100	1,070,971	1,158,013
Equity Securities	980,313	—	4,056	984,369	1,285,975
Municipal and Public Utility Bonds	13,040	—	964	14,004	13,641
Mortgage Loans:					
Collateralized Loans	10,354	—	—	10,354	10,342
Real Estate Notes	12,819	—	—	12,819	12,819
Life Insurance Investment Contracts	50,171	—	—	50,171	50,171
Investment Agreements	—	200,576	—	200,576	200,576
Real Estate	209,368	—	—	209,368	202,092
Food Stamps	18,136	—	—	18,136	18,136
Total	$ 3,529,813	$ 241,413	$ 155,110	3,926,336	4,316,076
Investments held by broker-dealers under reverse repurchase agreements:					
U.S. Government Securities				19,619	19,305
Pooled Investment Contracts				43,640	43,640
Investment in U.S. Treasury Investment Pool				146,583	146,583
Total Investments				$ 4,136,178	$ 4,525,604

The Pension Trust Fund owns approximately 72 percent of the investments that are in Category 1 and approximately 17 percent of the investments that are in Category 2.

During the year, the Pension Trust Fund loaned certain securities to several brokerage firms for fees or an increased rate of return. At December 31, 1986, such securities on loan amounted to $85,086,000 and were fully secured by United

States Treasury Securities and other commercial securities. Securities on loan are included in these financial statements.

3. Reverse Repurchase Agreements

State statutes permit the State to enter into reverse repurchase agreements, that is, a sale of securities with a simultaneous agreement to repurchase them in the future at the same price plus a contract rate of interest. The market value of the securities underlying reverse repurchase agreements normally exceeds the cash received, providing the dealers a margin against a decline in market value of the securities. If the dealers default on their obligations to resell these securities to the State or provide securities or cash of equal value, the State would suffer an economic loss equal to the difference between the market value plus accrued interest of the underlying securities and the agreement obligation, including accrued interest. This credit exposure at year-end was $49,000.

NOTE F. DUE FROM/TO OTHER FUNDS

Due From/To Other Funds at June 30, 1987, consist of the following (Expressed in thousands):

	Interfund Receivables	Interfund Payables
General Fund	$ 33,682	$ 16,192
Special Revenue Funds:		
Uniform School	2,460	893
Transportation	3,886	23,156
Capital Projects Fund	4,539	1,620
Debt Service Fund	64	0
Enterprise Funds:		
Utah Correctional Industries	595	89
Blind Industries	3	354
Alcoholic Beverage Control	2	8,834
Worker's Compensation	0	54
Internal Service Funds:		
Water Resources Loan Fund	244	136
Data Processing	4,930	4,278
Central Services Fund	984	3,011
Surplus Property	17	296
Communications	1,177	429
Social Services/Internal Service	309	35
Prison Services	0	4,014
Office of Education/Superintendent	191	102
Natural Resources	492	139
Admin. Services Risk Management	48	60
Property Management	227	224
Community Impact Loan Fund	24	0
Trust and Agency Funds:		
Land Board	184	200
Unemployment Compensation Trust	0	703
Restricted	1,331	2,615
Agency	11,598	0
College and University Funds:		
Unrestricted Current	6,928	4,074
Restricted Current	0	2,680
Endowment and Similar	5,278	1
Unexpended Plant	6	4,099
Renewal and Replacement Plant	0	4,435
Retirement of Indebtedness Plant	4,793	8
Investment in Plant	0	1,261
Total	$ 83,992	$ 83,992

NOTE G. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in General Fixed Assets follows:

	Balance July 1, 1986	Additions	Retirements	Balance June 30, 1987
GENERAL FIXED ASSETS:				
Land	$ 68,327,000	$ 5,840,000	$ 1,493,000	$ 72,674,000
Buildings and Improvements	277,078,000	56,142,000	26,252,000	306,968,000
Machinery and Equipment	127,061,000	16,548,000	10,131,000	133,478,000
Construction-In-Progress	43,712,000	38,266,000	26,551,000	55,427,000
Total General Fixed Assets	$ 516,178,000	$ 116,796,000	$ 64,427,000	$ 568,547,000

Construction-In-Progress retirements are transferred as additions to land and buildings. These additions represent land of $1,261,000 and buildings of $25,290,000. Construction-In-Progress at June 30, 1987 consisted of the following:

Project	Description	Amount Authorized	Amount Expended	Balance Authorized	Required Future Financing
85239	Corrections Phase I Functional Unit #1 and #3 and Gatehouse Building	$ 19,419,000	$ 16,864,000	$ 2,555,000	None
84355	Iron Co. Criminal Justice Resources Ctr	8,021,000	7,501,000	520,000	None
85028	Corrections Master Plan Phase I Design	4,237,000	3,842,000	395,000	None
85057	Davis AVC - Phase I-C	4,064,000	3,512,000	552,000	None
84164	Bridgerland AVC - Phase I	3,179,000	3,171,000	8,000	None
84425	National Guard A.D.D.S. Building	4,122,000	2,758,000	1,364,000	None
84356	Corrections - Women's Security Facility	4,903,000	2,522,000	2,381,000	None
85054	Bridgerland AVC - Phase III	1,982,000	1,919,000	63,000	None
84331	Social Services - Youth Development Center, Cedar City	1,488,000	1,437,000	51,000	None
85119	Parks & Recreation - Fremont Indian State Park	1,507,000	1,422,000	85,000	None
—	Forty-Three Other Projects	23,408,000	10,479,000	12,929,000	None
	Total	$ 76,330,000	$ 55,427,000	$ 20,903,000	

NOTE H. BONDS AND NOTES PAYABLE

Bonds Payable presented in the General Long-Term Obligation Account Group consists of the following:

General Obligation Bonds:

General Obligation Bonds Outstanding	Date Issued	Maturity Date	Interest Rate	Original Issue	Balance June 30, 1987
1975 Building Issue	7/1/75	1981-1988	5.25% to 5.70%	$ 70,000,000	$ 17,500,000
1978 Building Issue	7/1/78	1982-1989	4.75% to 5.80%	$ 25,115,000	14,000,000
1978 Water Issue	7/1/78	1981-1989	4.75% to 5.95%	$ 25,000,000	14,100,000
1980 Water Issue	10/1/80	1981-1989	6.25% to 7.75%	$ 11,000,000	4,500,000
1982 Water Issue	6/1/82	1982-1989	8.75% to 10.20%	$ 14,000,000	10,000,000
1984 Refunding Issue	5/1/84	1987-1990	6.60% to 7.60%	$ 29,490,000	22,690,000
1985B Refunding Issue	10/1/85	1987-1991	5.90% to 7.40%	$ 81,135,000	81,135,000
1986 Various Purpose Issue	7/15/86	1988-1993	5.00% to 8.00%	$ 91,230,000	91,230,000
Total General Obligation Bonds Payable					$255,155,000

General obligation bonds are secured by the full faith and credit of the State. Debt service requirements are provided by legislative appropriation from the State's general tax revenues.

Notes to the Combined Financial Statements

Debt service cash requirements to maturity for general obligation bond issues for fiscal years ended June 30, are summarized below (expressed in thousands):

	Principal										
	1975 Building	**1978 Building**	**1978 Water**	**1980 Water**	**1982 Water**	**1984 Refunding**	**1985 Refunding**	**1986 Various Purpose**	**Amount Required Principal**	**Amount Required Interest**	**Total Amount Required**
1988	$ 8,500	$ 4,000	$ 3,900	$ 1,500	$ 1,000	$ 7,200	$ 2,250	$ —	$ 28,350	$ 15,221	$ 43,571
1989	9,000	4,500	4,700	1,500	1,000	7,250	2,195	10,225	40,370	12,913	53,283
1990	—	5,500	5,500	1,500	8,000	8,240	3,570	10,800	43,110	9,887	52,997
1991	—	—	—	—	—	—	35,155	5,075	40,230	6,769	46,999
1992	—	—	—	—	—	—	37,965	—	37,965	3,960	41,925
1993	—	—	—	—	—	—	—	44,400	44,400	1,295	45,695
1994	—	—	—	—	—	—	—	20,730	20,730	—	20,730
Total	$ 17,500	$ 14,000	$ 14,100	$ 4,500	$ 10,000	$ 22,690	$ 81,135	$ 91,230	$ 255,155	$ 50,045	$ 305,200

Changes in General Obligation Bonds for the Fiscal Year 1987 are summarized below:

Balance at July 1, 1986	$ 217,975,000
New Bonds Issued:	
1986 Various Purpose	91,230,000
Bonds Retired	(54,050,000)
Balance at June 30, 1987	$ 255,155,000

On July 22, 1986, the State issued $91,230,000 of Various Purpose - General Obligation Bonds with a net effective interest rate of 6.141%. The bonds were used to fund various capital facilities, flood control projects, and to prepay the 1984 Variable Rate Demand Certificates of Participation Series B (Health Building Project) and Series C (Regional Office Building Project). On August 1, 1986, $25,880,000 from the net bond proceeds after issue costs plus an additional $6,020,000 from Certificate of Participation sinking funds monies were used to prepay the outstanding Certificates of Participation balances of $31,900,000

The State issued the new fixed rate Various Purpose - General Obligation debt to shorten the bond repayment period on the Certificates of Participation from the remaining 25 years to a seven year period at low fixed interest rates. This reduced the long-term debt service cost. Because the Certificate of Participation interest rate was adjusted weekly with a cap of 12%, it is not possible to determine the economic gain on the refunding issue.

The proceeds of the 1985 General Obligation Refunding Bond, issued October 1, 1985, along with other monies available for debt service which included a net gain of $192,000, were placed in trust and used to purchase securities of the U.S. Government and related agencies at various interest rates and maturities sufficient to meet all debt service requirements of the following Bond issues:

Bond Issue	Principal Outstanding at June 30, 1987
1983 Highway Bonds	$ 16,400,000
1983 Water Bonds	41,900,000

The assets are administered by the trustee and are restricted for the retirement of the refunded debt. The liability for the refunded bonds and the related securities and escrow accounts are not included in the accompanying financial statements as the State defeased its obligation for payment of the bonds upon completion of the refunding transaction.

Revenue Bonds:

Revenue bonds and notes consist of those issued by the Utah Housing Finance Agency, the Utah State Board of Regents Student Loan Purchase Program, and the various Colleges and Universities. These bonds and notes are not considered general obligations of the State.

The Utah Housing Finance Agency bonds were issued to provide sources of capital for housing persons of low or moderate income. The bonds are secured by mortgages and repayments are made from the mortgage proceeds. Outstanding bonds payable are reported in the Enterprise Funds. Of the total reported bonds payable, $9,815,000 represents deferred interest on revenue bonds outstanding.

The Utah State Board of Regents Student Loan Purchase Program bonds were issued to provide funds for student loans and are secured by all assets of the Board of Regents Revenue Bond Fund and the revenues and receipts derived from such assets. Outstanding bonds payable are reported in the Enterprise Funds.

The Colleges and Universities issue bonds for various purposes including student housing, special events centers and student unions. The bonds are secured by the related assets, student building fees and other income of certain college activities. Outstanding bonds payable are reported in the College and University Fund.

Notes to the Combined Financial Statements

Year Ended June 30, 1987

The State of Utah Equipment Certificates of Participation were issued to finance certain equipment to be utilized by the various agencies and departments of the State. The certificates are secured by the equipment they finance. Outstanding bonds payable are reported in the General Long-Term Obligation Account Group.

The proceeds of the General Obligation Refunding bond, issued May 1, 1984, were placed in trust and used to purchase securities of the U.S. Government and related agencies at various interest rates and maturities sufficient to meet all debt service requirements of the Building Ownership Authority revenue bonds, of which $28,675,000 was outstanding at June 30, 1987. The assets are administered by the trustee and are restricted for the retirement of the refunded debt. The liability for the revenue bonds and the related securities and escrow accounts are not included in the accompanying financial statements as the State defeased its obligation for payment of the revenue bond debt upon completion of the refunding transaction.

The Colleges and Universities placed the proceeds of new bond issues along with various bond reserves and/or pledged revenues into irrevocable trust accounts to defease certain revenue bonds. At June 30, 1987, $42,020,000 of the bonded debt remained outstanding and is considered extinguished by this in-substance defeasance transaction. Therefore, the liability is not included in the accompanying financial statements.

Revenue Bonds Outstanding	Date Issued	Maturity Date	Interest Rate	Original Issue	Balance June 30, 1987
1977-1987 Utah Housing Finance Agency Issues	1977-1987	1979-2024	4.5%-12.875%	$ 1,194,318,000	$ 866,858,000
1979 Board of Regents Student Loan Issue	1/26/79	1979-1996	6.1%-6.625%	$ 47,400,000	26,948,000
1984A Certificates of Participation	4/1/84	1985-1991	6.0%-8.0%	$ 34,490,000	26,100,000
Colleges and Universities Revenue Bonds	1952-1987	1989-2016	3.0%-11.25%	$ 89,770,000	65,484,000
Total Revenue Bonds Outstanding					985,390,000
Utah Housing Finance Agency Deferred Interest Payable					9,815,000
Total Revenue Bonds Payable					$ 995,205,000

Debt service cash requirements to maturity on revenue bond issues for fiscal years ending June 30 are summarized below (expressed in thousands):

	Principal						
Fiscal Year	Housing Finance Agency	Student Loan Programs	Certificates of Participation 1984A	Colleges and Universities	Total Principal Required	Total Interest	Total Amount Required
1988	$ 64,461	$ 2,300	$ 4,815	$ 5,871	$ 77,447	$ 80,848	$ 158,295
1989	21,425	1,900	5,245	7,087	35,657	75,092	110,749
1990	21,987	1,600	5,705	4,637	33,929	72,566	106,495
1991	22,722	1,200	6,210	3,178	33,310	70,016	103,326
1992	22,860	—	4,125	3,414	30,399	64,058	94,457
1993-1997	140,135	19,948	—	16,391	176,474	299,144	475,618
1998-2002	168,355	—	—	10,823	179,178	223,500	402,678
2003-2007	177,867	—	—	11,009	189,776	134,536	324,312
2008-2012	143,263	—	—	1,985	145,248	58,701	203,949
2013-2017	57,047	—	—	189	57,236	25,253	82,489
2018-2022	22,290	—	—	—	22,290	7,836	30,126
2023-2026	4,446	—	—	—	4,446	593	5,039
Total	$ 866,858	$ 26,948	$ 26,100	$ 65,484	$ 985,390	$ 1,112,143	$ 2,097,533

Notes to the Combined Financial Statements

Year Ended June 30, 1987

Changes in Revenue Bonds for the Fiscal Year 1987 are summarized below:

Balance at July 1, 1986	$ 970,331,000
New Bonds Issued:	
Colleges and Universities	21,560,000
Utah Housing Finance Agency	239,808,000
Bonds Retired	(236,494,000)
Balance at June 30, 1987	$ 995,205,000

Notes Payable

During fiscal year 1984, the Student Assistance Programs entered into a financing agreement with the Student Loan Marketing Association (SLMA) in which SLMA committed to advance the program, at any one time, an aggregate outstanding balance of up to $300,000,000. These notes bear interest at a per annum rate equal to the 91-day Treasury Bill rate plus 1.25 percentage points. As of June 30, 1987, the borrowings under the agreement amounted to $133,577,000. Payments of principal begin the earlier of the day that the advances total $300,000,000 or February 23, 1989. The notes are due February 23, 1999. The notes are secured by the student loans financed by the program and by the assets of the Student Loan Funds.

Other notes payable of $18,637,000 represent the remaining balances of purchases of buildings and equipment. The notes bear interest rates of 3% to 15% and will be repaid over the next 1 to 24 years. They are secured by the related assets.

Notes Payable for Fiscal Year 1987 are summarized below (expressed in thousands):

	Internal Service Funds	Enterprise Funds	College & University Funds	Total
Balance at July 1, 1986	$ 87	$ 127,229	$ 4,471	$ 131,787
Additions	3	11,725	15,442	27,170
Deletions	(15)	(5,352)	(1,376)	(6,743)
Balance at June 30, 1987	$ 75	$ 133,602	$ 18,537	$ 152,214

Contracts Payable

The Department of Natural Resources entered into a contract in fiscal year 1986 to purchase land for wildlife habitat and conservation. The contract term is for four years and bears an annual interest rate based on the annual rate for Reserve Adjusted Certificates of Deposit. At June 30, 1987, the remaining contract commitments totaled $2,812,000. Debt service payments are from General Fund appropriations and are secured by the related land.

Contracts Payable in the General Long-Term Obligations Account Group includes legal contracts and capital leases. The changes for the 1987 fiscal year, in this Account Group for contracts payable, are as follows: (Lease obligations are detailed in Note I.)

Balance at July 1, 1986	$ 3,749,000
Principal Payments	(937,000)
Balance at June 30, 1987	$ 2,812,000

Leave Obligations

Changes in the leave obligation are:

Balance at July 1, 1986	$ 42,631,000
Increase in Health Care Premiums	2,024,943
Decrease in Accrued Leave Benefits	(9,933,094)
Increase in Sick Leave Accrual Benefits	1,525,151
Balance at June 30, 1987	$ 36,248,000

NOTE I. LEASE COMMITMENTS

The State leases office buildings and office and computer equipment. Although the lease terms vary, most leases are subject to annual appropriations from the State Legislature to continue the lease obligations. If a legislative appropriation is reasonably assured, leases are considered noncancellable for financial reporting purposes and are reported in the General Long-Term Obligation Account Group or appropriate proprietary fund types as described below.

Assets acquired through capital leasing are valued at the lower of fair value or the present value of the future minimum lease payments, at the inception of the lease. Capital leases obligations for the proprietary fund types are reported in those funds as long-term obligations. The related assets and depreciation of these assets are included in the proprietary funds. Capital leases obligations for the governmental type funds are reported in the General Long-Term Obligation Account Group and the related assets are reported in the General Fixed Assets Account Group. Capital leases for the College and University Funds are reported in those funds along with the related assets.

Operating leases (leases on assets not recorded in the Balance Sheet) contain various renewal options as well as some purchase options. However, due to the nature of the leases, the related assets were not classified as capital leases. Any escalation clauses, sublease rentals and contingent rents were considered immaterial to the future minimum lease payments and current rental expenditures. Operating lease payments are recorded as expenditures or expenses of the related funds when paid or incurred.

The total operating lease expenditures for fiscal years 1987 and 1986 were $15,201,000 and $13,313,000, respectively. Future minimum lease commitments for noncancellable operating leases and capital leases as of June 30, 1987, were as follows:

		Capital Leases			
Fiscal Year	**Operating Leases**	**Long-Term Obligation Account Group**	**Proprietary Funds**	**College and University Funds**	**Total**
1988	$ 6,431,000	$ 721,000	$ 367,000	$ 965,000	$ 8,484,000
1989	6,019,000	709,000	367,000	761,000	7,856,000
1990	4,737,000	690,000	367,000	466,000	6,260,000
1991	4,001,000	669,000	366,000	342,000	5,378,000
1992	2,367,000	420,000	359,000	127,000	3,273,000
Thereafter	5,471,000	1,903,000	7,299,000	707,000	15,380,000
Total Future Minimum Lease Payments	$ 29,026,000	5,112,000	9,125,000	3,368,000	$ 46,631,000
Amounts Representing Interest		1,780,000	6,275,000	776,000	
Present Value of Future Minimum Lease Payments		$ 3,332,000	$ 2,850,000	$ 2,592,000	

Changes in Capital Lease Long-Term Obligations for the 1987 fiscal year are as follows:

	Long-Term Obligation Account Group	**Proprietary Funds**	**College and University Funds**	**Total**
Balance at July 1, 1986	$ 5,450,000	$ 2,866,000	$ 2,793,000	$ 11,109,000
Existing Leases - Transfer To Current Portion	(448,000)	(16,000)	(201,000)	(665,000)
Leases Completed	(1,670,000)	—	—	(1,670,000)
Balance at June 30, 1987	$ 3,332,000	$ 2,850,000	$ 2,592,000	$ 8,774,000

NOTE J. PENSION PLANS

Eligible employees of the State are covered by one of the following retirement plans:

1. Utah State Retirement Systems

The Utah State Retirement Systems were established by Chapter 49 of *Utah Code Annotated, 1953*, as amended. The Utah State Retirement Office administers the systems under the direction of the Utah Retirement Board (Board), which consists of the State Treasurer and eight members appointed by the Governor and the State Treasurer. The Board has its own separate accounting system and reports on a calendar year end. The December 31, 1986, report has been included in this Comprehensive Annual Financial Report as a Pension Trust Fund. The systems publish a separate publicly available component unit financial report. Ten year trend information on the systems is included in that report.

The retirement systems are comprised of the following groups of defined benefit retirement systems covering substantially all employees of the State as well as other political subdivisions:

- The Contributory Retirement System includes employees of participating higher education, secondary education, and other State and local governmental units, including support staff associated with employees covered under the other systems below.
- The Noncontributory Retirement System was established on July 1, 1986. All new employees of State and school entities hired subsequent to that date are automatically members of this new system. Local governmental entities have the option of adopting the new System or remaining with the Contributory System.
- The Utah Public Safety Retirement System (Public Safety) includes State and local governmental employees directly involved in law enforcement.
- The Utah Firemen's Retirement System (Firemen's) includes State and local government employees directly involved in firefighting.
- The Utah Judge's Retirement System (Judge's) includes, State and local, appointed or elected judges.
- Other - Several other smaller plans are offered to those employees or groups of employees who elect coverage.

System participation requires employee and employer contributions. Employee contributions are vested and ranged from 6.0% to 14.81% of the employee's annual salary or wages. The employee vested contributions may be paid in part or in whole by the employer. The employer contribution rate is 1.32% to 14.32% of the employee's salary or wages. Employer contribution rates consist of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the members during the current service year) and (2) an amount for amortization of the unfunded actuarial liability over a period of 40 years. These rates are determined using the entry age normal actuarial cost method with a supplemental present value, and the same actuarial assumptions that were used to calculate the actuarial present value of credited projected benefits. Retirement benefits are specified by statute and are computed using salary, age and years of service.

The Board engages an independent firm of actuaries at least biennially to estimate present value of credited projected benefits for the purpose of determining required reserves for active and terminated participants, retired individuals and beneficiaries, and for the determination of contribution rates.

Credited projected benefits are those future periodic payments including lump sum distributions that are attributable to the service employees have rendered to date under plan provisions of the various systems. The present value of credited projected benefits are calculated based on the unit credit actuarial cost method with benefits based on projected salary increases.

The following schedule presents information concerning the book value of assets, estimated present value of credited projected benefits for active, terminated and retired members and the related funding ratio as of the most recent actuarial report computed in accordance with the provisions of NCGA Statement 6 and GASB Statement 5. (Expressed in thousands.)

System	Date of Actuarial Report	Book Value of Assets	Estimated Present Value Of Credited Projected Benefits	Funding Ratio
Contributory	1-1-86	$ 1,915,165	$ 1,923,851	100%
Public Safety	1-1-86	198,026	271,806	73
Firemen's	1-1-86	92,544	149,861	62
Judge's	1-1-86	11,264	15,295	74

The schedule below presents the primary actuarial assumptions used in the most recent actuarial report.

Notes to the Combined Financial Statements

Year Ended June 30, 1987

System	Assumed Investment Rate of Return	1983 Group Annuity Mortality Table (Years Set Ahead) Male	1983 Group Annuity Mortality Table (Years Set Ahead) Female	Retirees and Beneficiaries Maximum Annual Cost of Living Adjustment
State	7.5%	0	1	4.0%
Public Safety	7.5	2	1	2.5
Firemen's	7.5	2	1	2.5
Judges'	7.5	0	1	4.0

(Prior years' experience was used for the retirement age assumption.)

The 1983 Group Annuity Mortality Table was adopted for actuarial purposes with the 1986 actuarial study. Also, the new Noncontributory System was established with a three year highest average salary base.

The actuarial assumed interest rate of 7.5% was allocated to appropriate credited projected benefits. Net investment earnings in excess of the assumed interest rate were allocated to appropriate fund balances in accordance with State law and Board directives.

Actuarial gains and losses result from the differences between the actuarial present value of credited projected benefits and unreserved but designated amounts computed by the actuary and the credited projected benefits and unreserved but designated amounts reflected on the financial statements as of the date of the actuarial report. The net actuarial gain or loss is adjusted against the unfunded actuarial present value of credited projected benefits when the Systems' net assets available for benefits are less than the total actuarial present value of credited projected benefits and the unreserved but designated portion of fund balance. The net actuarial gain or loss is adjusted against net assets available for future benefit credits when the Systems' net assets available for future benefits exceed the total of the actuarial present value of credited projected benefits and the unreserved but designated portion of fund balance.

The contribution rates used for the Noncontributory System were effective with the beginning of the System on July 1, 1986.

Information with regard to total employer contributions to the Systems for the year ended December 31, 1986 are indicated below (expressed in thousands):

System	Normal Cost Amount	Normal Cost Percent of Active Member Payroll	Unfunded Cost Amount	Unfunded Cost Percent of Active Member Payroll	Total Employer Contributions Amount	Total Employer Contributions Percent of Active Member Payroll	Annual Active Member Payroll
Contributory	$ 42,766	7.41%	$ 14,310	2.48%	$ 57,076	9.89%	$ 576,978
Noncontributory	1,512	.23	15,989	2.48	17,501	2.71	644,734
Public Safety	1,793	1.82	5,862	5.95	7,655	7.77	98,518
Firemen's	1,313	5.03	2,774	10.64	4,087	15.67	26,075
Judges'	435	10.48	177	4.27	612	14.75	4,149
Total	$ 47,819		$ 39,112		$ 86,931		$ 1,350,454

Amounts actually contributed by employers were in accordance with actuarially computed funding requirement determinations. Fire insurance, premium taxes and court fees are included as part of employer contributions in the schedule above for the Firemen's and Judges' Systems, respectively.

There are no funding requirements in the deferred compensation plan other than deposit of deferred compensation or voluntary contributions for the employee by the employer.

The unfunded actuarial liability is not segregated by participating governmental units. Therefore, it is not possible to segregate the unfunded actuarial liability for the State of Utah as a separate entity. However, it is anticipated by the actuary that the current contribution rate will remain approximately level and will fund current service cost and will amortize unfunded actuarial liabilities of prior service cost over the forty-year period ending July 1, 2007.

The State of Utah's employer contributions to the State Retirement Systems were:

	Year Ended June 30, 1987	Year Ended June 30, 1986
General Fund	$ 26,900,000	$ 26,473,000
Special Revenue Funds:		
Uniform School Fund	2,639,000	2,578,000
Transportation Fund	5,212,000	5,343,000
Capital Projects Fund	2,000	31,000
Enterprise Funds	1,173,000	893,000
Internal Service Funds	1,379,000	1,136,000
Pension Trust Fund	348,000	337,000
College and University Funds	14,159,000	13,498,000
Total	$ 51,812,000	$ 50,289,000

2. Teachers Insurance and Annuity Association

The Teachers Insurance and Annuity Association (TIAA-CREF), a privately administered retirement plan, provides individual retirement fund contracts with each eligible participating employee. Eligible employees consist mainly of State College and University and Area Vocational Center faculty. Benefits provided to retired employees are generally based on the value of the fund and the estimated life expectancy of the employee at retirement. The total contribution is 14.2% of the employee's annual salary. Most of the colleges and universities contribute the employer share of 7.1% and the employee share of 7.1%. All other employees under this plan pay their share and the employer matches it. The State has no further liability once annual contributions are made.

The State of Utah's actual current year employer contributions to the TIAA-CREF retirement system are listed below:

	Year Ended June 30, 1987	Year Ended June 30, 1986
General Fund	$ 96,000	$ 105,000
Special Revenue Fund:		
Uniform School Fund	42,000	42,000
Enterprise Funds	22,000	21,000
College and University Funds	24,167,000	23,355,000
Total	$ 24,327,000	$ 23,523,000

3. Travelers Insurance Retirement Plan

There are 434 employees of the Department of Employment Security (accounted for in the General Fund) participating in the Travelers Life Insurance Plan which is a deposit fund administered retirement plan. The employer payments are fully funded through federal revenues from the U.S. Department of Labor.

The contribution is 14.84% of the employee's annual salary, of which 3.05% is paid by the employee, 3.95% is paid by the employer for the employee, and 7.84% is paid by the employer. The employer is also contributing to prior service costs. Retirement benefits are computed using salary, age, and years of service.

According to the latest periodic actuarial valuation on October 1, 1986, the present value of future retirement benefits is $74,494,000 and the unfunded liability is $20,860,000. Net assets available for benefits are $50,914,000. The unfunded liability represents cost of living increases on benefits. The average assumed rate of return used in determining the actuarial present value of accumulated plan benefits was 7% for 1986 and 9% for 1985.

The State of Utah's actual current year employer contributions, including prior year service costs to the Travelers Retirement Plan from the General Fund in fiscal years ended June 30, 1987 and 1986 were $5,690,000 and $7,677,000, respectively.

NOTE K. DEFERRED COMPENSATION PLAN

The State offers its employees a deferred compensation plan created in accordance with Internal Revenue Code (IRC) Section 457. The plan, available to all State employees, permits them to defer a portion of their salary until future years. There are two colleges and universities which have also set up deferred compensation plans under the IRC Section 457 for the college employees. The deferred compensation under both plans is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the State/Colleges (without being restricted to the provisions of benefits under the plan), subject only to the claims of the State's/Colleges' general creditors. Participants' rights under the plans are equal to those of general creditors of the State/Colleges in an amount equal to the fair market value of the deferred account for each participant.

It is the opinion of the State's legal counsel that the State/Colleges have no liability for losses under the plans but do have the duty of due care that would be required of an ordinary prudent investor. The State/Colleges believe that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

Of the $75,232,000 as reported on the balance sheet in the State plan at December 31, 1986, $27,485,000 was applicable to the State, $45,899,000 represents the assets of the other jurisdictions participating in the plan and $1,848,000 represents stock purchases payable.

Notes to the Combined Financial Statements

Year Ended June 30, 1987

NOTE L. FUND BALANCES

The State's reserved fund balances represent those portions of fund balance that are: 1) not available for appropriation or expenditure, which include loans receivable and the long-term portion of advances to other funds; or 2) fund balances that are legally segregated for a specific future use which include reserves for encumbrances in the Capital Projects Fund, continuing appropriation or non-lapsing funds, and assets legally restricted for other purposes. A summary of the nature and purpose of these reserves by fund type at June 30, 1987 follows:

1. General Fund:

a. Reserved

Non-Lapsing or Restricted by Law:	
Budget Deficit Reserve	$ 20,049,000
Legislature	658,000
Tax - Reflectorized Plate Fees	506,000
Economic and Industrial Development	2,432,000
Health	850,000
Social Services	3,007,000
Business Regulation	628,000
Mineral Bonus	484,000
Parks & Recreation	1,509,000
Water Resources	442,000
Flood Relief	5,351,000
Agriculture	582,000
Wildlife Resources	3,232,000
Oil Overcharge and Energy	17,561,000
Financial Institutions	4,867,000
Employment Security	3,206,000
Miscellaneous	2,467,000
Loan Programs and Advances:	
Agriculture	16,259,000
Water Pollution Control	17,050,000
Safe Drinking Water	8,605,000
Water Security Enhancement	
- Pollution	10,242,000
- Drinking	6,777,000
Advance to Internal Service Funds	6,489,000
Total	$ 133,253,000

b. Unreserved (General Fund)

The General Fund unreserved fund equity is reported net of the 1977 ($1,027,000) deficit of the Industrial Commission. This deficit came about when the Legislature, from 1971-77, appropriated $1,621,000 from the Worker's Compensation Fund for operations of the State Industrial Commission. Of the amount appropriated, only $594,000 was deposited to the General Fund by the Worker's Compensation Fund. The balance of $1,027,000 was not remitted pending the outcome of a lawsuit filed to determine the legality of appropriating monies for State operations from the Worker's Compensation Fund. This forced the General Fund to cover the expenses of the Industrial Commission from unappropriated unreserved balances in the amount of $1,027,000. In *Gronning vs. Smart*, the State Supreme Court ruled that the appropriations were unconstitutional. A State Attorney General opinion, dated June 21, 1977, stated that the Worker's Compensation Fund is entitled to reimbursement of the $593,780 from the General Fund. An additional appropriation from General Fund monies will be needed to eliminate the $1,027,000 deficit fund balance.

2. Special Revenue Funds:

Reserved (Non-Lapsing or Restricted By Law)

Uniform School Fund:	
Minimum School Program	$ 4,344,000
State Office of Education	2,719,000
Custom Fit Training	1,290,000
Area Vocational Centers	2,189,000
Miscellaneous Programs	31,000
School Building Loans Programs	1,700,000
Total	12,273,000
Transportation Fund:	
Aeronautical Programs	1,841,000
Resource Development Programs	3,184,000
Total	5,025,000
Total Special Revenue Funds	$ 17,298,000

Unreserved fund balance in the Transportation Fund of $1,219,000 has been reduced for over-spending of $185,000 for sidewalk construction programs and $205,000 accumulated over recovery of equipment and labor costs on federal construction projects.

3. Capital Projects Fund:

The amount reserved of $15,963,000 represents encumbrances outstanding on various capital project balances of $15,648,000 and $315,000 which is reserved under law for planning construction projects. (See Note R)

4. Trust and Agency Funds:

The $2,706,499,000 reserved for the Trust and Agency Funds represents:

Pension Benefits	$ 2,522,619,000
Non-Expendable Trust:	
Land Board	22,882,000
Expendable Trust:	
Unemployment Compensation Benefits	144,829,000
Indian Affairs	9,308,000
Restricted Various	6,861,000
Total	$ 2,706,499,000

NOTE M. DEFICIT FUND BALANCES/RETAINED EARNINGS

Funds reporting a deficit fund balance or retained earnings position at June 30, 1987 are:

Enterprise Funds:		
Blind Industries	$	102,000
Technology Finance Corporation	$	624,000
Internal Service Funds:		
Surplus Property	$	90,000
Prison Services	$	4,014,000
DAS - Risk Management	$	6,033,000
Expendable Trust Fund:		
Second Injury	$	62,533,000

The deficit retained earnings in the Blind Industries and Surplus Property will be funded through increases in charges for products. The Technology Finance Corporation deficit retained earnings is expected to be funded through increased grant revenues. The deficit retained earnings balance of the DSS - Prison Services is to be funded from future appropriations from the Utah Correctional Industries Enterprise Fund or from the General Fund.

The Administrative Services/Risk Management Fund reported a deficit retained earnings which was the result of recognizing expenses for incurred but not filed insurance claims. The unfiled claims amount was recorded as determined by an actuarial study of this fund. Management expects to fund the deficit as the claims are filed and the settlement paid. Additionally, rates have been increased.

The deficit in the Second Injury Fund represents an actuarial estimate of the unfunded portion of future payments on claims incurred prior to June 30, 1987. In addition, the actuary estimates that the Second Injury Fund's assets will be depleted in fiscal year 1989. To remedy this, the State Legislature will need to take the necessary actions to increase funding or reduce the coverage.

NOTE N. OPERATING AND RESIDUAL EQUITY TRANSFERS

Operating transfers between funds occur when a fund receiving revenues transfers resources to a fund where the resources are to be expended. The transfers only occur after being legally authorized by the Legislature through statute or an "Appropriation Act." For the fiscal year ended June 30, 1987, the operating transfers by fund (expressed in thousands) are as follows:

		Special Revenue Funds							
Transfers Out:	**General Fund**	**Uniform School Fund**	**Transportation Fund**	**Capital Projects Fund**	**Debt Service Fund**	**Internal Service Funds**	**Trust and Agency**	**College and University Funds**	**Total Transfers Out**
General Fund	$ —	$ 42,211	$ 4,751	$ 9,617	$ 50,312	$ 4	$ 682	$ 246,625	$ 354,202
Special Revenue Funds:									
Uniform School Fund	20,756	—	—	—	—	—	—	—	20,756
Transportation Fund	33,666	—	—	—	10,249	—	—	—	43,915
Capital Projects Fund	1,676	—	—	—	118	—	—	—	1,794
Debt Service Fund	1,508	—	1,242	—	—	—	—	—	2,750
Enterprise Funds	17,223	—	—	—	—	82	—	—	17,305
Internal Service Funds	1,247	—	—	—	—	—	—	—	1,247
Trust and Agency Funds	9,274	—	—	—	—	—	—	—	9,274
Total Transfers In	$ 85,350	$ 42,211	$ 5,993	$ 9,617	$ 60,679	$ 86	$ 682	$ 246,625	$ 451,243

Residual Equity transfers occur when non-routine transfers are made from one fund to another. These transfers are usually made to provide funds for working capital. In addition to fund equity transfers, fixed assets with $865,000 of original cost and $245,000 of estimated accumulated depreciation were transferred from the General Fixed Asset Account Group to the Internal Service Funds, resulting in a contributed capital increase in the Internal Service Funds of $620,000. For the fiscal year ended June 30, 1987, the residual equity transfers by fund (expressed in thousands) are as follows:

	General Fund	Special Revenue (Transportation Fund)	Enterprise Funds	Internal Service Funds	Total Transfers Out
Transfers Out:					
General Fund	$ —	$ —	$ 475	$ 4,332	$ 4,807
Enterprise Funds	10,185	—	—	230	10,415
Internal Service Funds	23,971	11,200	—	—	35,171
General Fixed Assets Account Group	—	—	—	620	620
Total Transfers In	$ 34,156	$ 11,200	$ 475	$ 5,182	$ 51,013

NOTE O. EXTRAORDINARY LOSSES

Through early extinguishment of debt, the College and University funds have recognized a net book loss of $3,131,000. Bonds of $22,133,000 were defeased with the net proceeds of new bonds and existing bond reserves of $19,002,000, resulting in the book loss.

Although the advance refunding resulted in the recognition of an accounting loss for the year ended June 30 1987, these reductions will be a reduction of the aggregate debt service payments, net of additional cash paid, by $6,465,000 over the next 13 to 28 years. Also, an economic gain (the difference between the present value of the debt service payments on the old and new debt) of approximately $965,000 will result from the refunding.

NOTE P. SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The State of Utah has seven enterprise funds which are described below:

1. Alcoholic Beverage Control - The Alcoholic Beverage Control Commission administers the Alcoholic Beverage Control Act with financing from operations which include the sale of liquor products.
2. Utah Housing Finance Agency - The Agency issues bonds to provide capital for housing for low and moderate income families. Operations are financed from bond proceeds and from mortgage and investment interest and fees.
3. Worker's Compensation (State Insurance Fund) - The Fund provides worker's compensation insurance to private and public employers and is financed through employer premiums.
4. Student Assistance Programs - This is made up of two separate student assistance programs administered by the Utah State Board of Regents. The two programs are the Utah Higher Education Assistance Authority which guarantees repayment of eligible student loans and the Student Loan Purchase Program which makes loans to and purchases loans of eligible students. The programs are funded from loan fees, interest and federal allowances.
5. Utah Industries for the Blind - The Industries for the Blind is a sheltered workshop that provides employment, evaluation, and training for adults who are blind or visually impaired. They are financed through sales of products and from State appropriated funds.
6. Utah Technology Finance Corporation - The corporation is a corporate body created to encourage and assist in the development of technological and small businesses in the State. The corporation is operated from grants, earnings, and State appropriations.
7. Utah Correctional Industries - The Correctional Industries provides employment for prisoners at the Utah State Prison. It is operated through the charges for services and the sale of goods produced.

Segment information for the fiscal year ended June 30, 1987, is as follows (expressed in thousands):

Notes to the Combined Financial Statements

Year Ended June 30, 1987

	Alcoholic Beverage Control Commission	Housing Finance Agency	Worker's Compensation	Student Assistance Programs	Blind Industries	Technology Finance Corporation	Correctional Industries	Total
Operating Revenue	$ 69,009	$ 81,850	$ 51,585	$ 19,714	$ 749	$ 264	$ 4,379	$ 227,550
Operating Expenses:								
Depreciation	514	26	172	119	11	4	84	930
Other	51,319	77,687	88,524	14,990	729	690	4,218	238,157
Operating Income	17,176	4,137	(37,111)	4,605	9	(430)	77	(11,537)
Operating Transfers Out	(17,177)	—	(46)	—	—	—	(82)	(17,305)
Non-Operating Income (Expense)	1	—	12,060	—	(4)	—	—	12,057
Net Income (Loss)	$ 0	$ 4,137	$ (25,097)	$ 4,605	$ 5	$ (430)	$ (5)	$ (16,785)
Current Assets	$ 10,538	$309,397	$ 69,675	$ 34,177	$ 634	$ 2,179	$ 3,282	$ 429,882
Current Liabilities	10,337	97,483	44,224	7,391	389	51	542	160,417
Net Working Capital	$ 201	$211,914	$ 25,451	$ 26,786	$ 245	$ 2,128	$ 2,740	$ 269,465
Total Assets	$ 14,908	$982,325	$ 152,015	$ 204,218	$ 683	$ 2,202	$ 4,027	$ 1,360,378
Total Liabilities	10,337	910,695	137,839	167,830	389	51	560	1,227,701
Fund Equity	$ 4,571	$ 71,630	$ 14,176	$ 36,388	$ 294	$ 2,151	$ 3,467	$ 132,677
Long-Term Debt	$ 0	$812,212	$ 0	$ 157,225	$ 0	$ 0	$ 18	$ 969,455
Capital Contributions	$ (5,039)	$ (4,671)	$ 0	$ 0	$ 0	$ 0	$ (230)	$ (9,940)
Fixed Assets July 1, 1986	$ 6,972	$ 606	$ 2,239	$ 591	$ 141	$ 27	$ 934	$ 11,510
Additions	195	26	398	12	—	2	282	915
Deletions	52	—	31	3	9	—	—	95
Fixed Assets June 30, 1987	$ 7,115	$ 632	$ 2,606	$ 600	$ 132	$ 29	$ 1,216	$ 12,330

NOTE Q. LITIGATION, CONTINGENCIES AND COMMITMENTS

The State is named in several legal proceedings where significant monetary damages are sought. The amounts sought range from $100,000 to $90 million and total $156 million. The State is vigorously contesting these matters but as of this date it is not possible to ascertain the outcome of these proceedings nor to estimate the possible effects an adverse decision might have on the future expenditures of State revenues. In the opinion of the Attorney General the amounts stated and claimed in most cases are unrealistic and excessive.

In addition, eight consolidated cases have been reactivated that were originally filed in 1979. The cases involve oil companies claiming that all taxes collected on their oil and gas leases located on the Navajo Indian Reservation in San Juan County are invalid for a variety of statutory and constitutional reasons. Disputed amounts are estimated at $50 million. In a related case, the Ute Indian tribe has filed a case to collect State taxes on mineral production by non-Indian operators on Indian land. The amount sought is $20 million. As of this date it is not possible for management or the Attorney General's Office to ascertain the outcome of the cases.

Financial and compliance audits (Single Audit) of Federal grants, contracts and agreements were conducted under the provisions of the Federal Office of Management and Budget's Circular A-128, *Audits of State and Local Governments* for the fiscal years ended June 30, 1986, 1985 and 1984. The audits included all State entities except for the colleges and universities and, in 1984, the student loan programs. As a result of the audits, a total of $2.3 million of federal expenditures is facing disallowance. These costs will be contested with the federal agency involved and management estimates the liability to be less than the questioned amount. Other audit findings on non-compliance cannot be estimated as to the potential liability. The Single Audit for the fiscal year ended June 30, 1987 is near completion and management expects proposed disallowances to be immaterial.

Utah currently faces potential disallowances of federal funds for medicaid, emergency management, food stamps and aid to families with dependent children. The total amount in question is $20 million as a result of federal audits and state quality control reviews. Additional audits and reviews are pending. All amounts are being or will be contested by the State. Management is unable to determine the effect on the State, if any, of any resulting liabilities.

The State is totally self-insured against liability claims and up to $10 million in property claims. According to an actuarial study, $7.25 million exists as incurred but unfiled claims. This amount is reported as a liability of the Administrative

Services/Risk Management Fund (Internal Service). The Risk Management Fund may be facing legal proceedings resulting from the failure of five thrift and loan companies, and the resulting loss to depositors. Because the suit has not been filed, the amount claimed cannot be determined. Additionally, in the opinion of legal counsel, the potential for a liability to the Fund is remote. Also, the University of Utah Medical Center and School of Medicine have established a self insurance trust for malpractice liability claims. A liability has been recorded and as of June 30, 1987, the balances in the trust funds were adequate to cover the claims incurred.

The State Retirement Board (Pension Trust Fund) is involved in three major legal proceedings. The cases involve an employer, and current and former employees who are seeking refunds of contributions made. Because of legislative action and lower court judgments in favor of the Retirement Board, the Board anticipates conclusion of the lawsuits in favor of the Retirement Systems.

The State Retirement System (Pension Trust) Investment Fund has, at the balance sheet date, committed to fund nine venture capital partnerships for an amount of $19,000,000. Funding of $10,549,000 has been provided leaving an unfunded commitment of $8,451,000.

As of June 30, 1987, the Utah Housing Finance Agency (Enterprise Fund) is committed to purchase mortgages under the Single-Family Mortgage Purchase Program in the amount of $131,661,000.

At June 30, 1987, the Internal Service Funds had loan and grant commitments of approximately $17,583,000 ($7,709,000 grants, $9,874,000 loans).

NOTE R. CAPITAL PROJECTS

The State had long-term construction project commitments totaling $15,963,000 at June 30, 1987. The following construction projects have remaining commitments and represent reservations of fund balance in the Capital Projects Fund:

Project #	Description	Remaining Construction Commitment
86017	Data Processing Computer Center	$ 2,420,000
85034	Salt Lake Community College-Student Ctr. Addition & Remodel	2,228,000
84356	Corrections Women's Security Facility	2,192,000
85239	Corrections Phase I Functional Unit #1 and #3 and Gatehouse Building	2,117,000
86159	Corrections Supplemental Work Pkg. - Phase I	1,453,000
86057	Utah State University - Biology & Natural Resources Bldg.	1,038,000
86036	Social Services - State Hospital Medical Bldg. Electrical	388,000
86041	Capitol Hill Chiller Replacement - Phase I	368,000
85028	Corrections - Phase I Master Plan Design	354,000
84355	Iron County Criminal Justice Resource Center and Jail	315,000
84058	Weber Sate College – Physical Education Facility	159,000
—	All Others	2,931,000
	Total Commitments	$ 15,963,000

NOTE S. VACATION LEAVE AND SICK LEAVE

Employees annual leave is accrued at a rate of four hours every two weeks for the first five years of employment, up to a rate of six hours every two weeks after ten years of employment. There is no requirement to use annual leave, but a maximum of 40 days may be carried forward at the beginning of each calendar year. Compensatory time can be earned for overtime. At termination, employees are paid for their unused annual leave and at the discretion of their department, they may be paid for unused compensatory time. The total liability for annual and compensatory time at June 30, 1987, was $33,882,000 of which $1,632,000 is reported in the Proprietary Funds and $32,250,000 is reported in the General Long-Term Obligation Account Group.

Employees earn sick leave at a rate of four hours for each two week period with no limit to the amount that can be accumulated. The State does not reimburse employees for unused sick leave upon termination except for employees eligible for retirement. At retirement, the State is liable for up to 25% of the employee's accumulated sick leave and for premiums to maintain health and life insurance coverage for up to five years or until the employee turns age 65, whichever comes first. A liability of $3,998,000 has been reported in the General Long-Term Obligation Account Group for the future health and life insurance coverage for retired employees.

Notes to the Combined Financial Statements

Year Ended June 30, 1987

NOTE T. SUBSEQUENT EVENTS

During the 1987 session, the Utah State Legislature passed House Bill 142. The bill grants an enhanced benefit with early retirement options to members in the State Contributory or Noncontributory Retirement Systems who have 25 or more years of service or otherwise qualify for a retirement benefit. An actuary has estimated the present value of benefits payable for the early retirement option for the entire Retirement System (Pension Trust Fund) to be $266,996,000. The State and school districts portion is $232,670,000 and the local government portion is $34,326,000. The State's participation in the early retirement option will be funded through an increased contribution rate of 1.45% of salaries over a nineteen-year period, if the increased contribution rate becomes effective July 1, 1988. If the Legislature decides to implement the increased contribution rate prior to July 1, 1988, the contribution rate would need to be modified. The additional cost of the early retirement program will be offset by savings in personal service costs. The savings will result from lower salaries for replacements and the State will not replace fifty percent of their retirees.

In July 1987, the State issued $58,475,000 of General Obligation Capital Facilities Bonds. The bond proceeds will be used to finance construction in the Capital Projects Fund. The bonds mature from July 1, 1991 through July 1, 1994 with interest rates between 5.30% and 5.90%.

On July 1, 1987, the State issued $125 000,000 in Tax and Revenue Anticipation Notes maturing June 30, 1988. The Notes are not subject to redemption prior to maturity and are backed by the full faith, credit, and taxing power of the State.

On October 15, 1987 the Utah Housing Finance Agency issued $32,920,000 of Single Family Mortgage Senior and Subordinate Bonds, 1987 Issue F. The issue included the following:

Serial Senior	6.5% - 8.375%	1990 - 1999	$ 2,085,000
Term Subordinate	10.625%	July 1, 1999	1,315,000
Term Senior	9.0%	July 1, 2007	5,000,000
Term Senior	6.25% Variable	January 1, 2017	8,150,000
Term Senior	6.25% Variable	July 1, 2017	8,310,000
Term Senior	9.125%	July 1, 2019	8,060,000
Total			$ 32,920,000

At July 1, 1987, the State's Risk Management Fund was able to reduce the self-insured limit for aggregated property claims from $10 million to $2.5 million due to favorable market conditions.

The University of Utah (College and University Funds) issued $16,599,000 of Certificates of Participation in August 1987, to fund equipment and improvement Acquisitions for the University Hospital, and to retire the 1980 Hospital Revenue Note and the 1984 Equipment Acquisition Certificates.

We the People
form a more perfect Union, establish Justice,
insure domestic Tranquility, provide for the com
ensure the Bleſsings of Liberty to ourselves
and our Posterity, do ordain and establish this C

Section. 1. All legislative Powers herein gran
es, which shall consist of a Senate and House
of Representatives.
Section. 2. The House of Representatives shal
by the People of the several States, and the Electors
in each State shall have the Qualifications requisite for E
lature.
No Person shall be a Representative who sh
and been seven Years a Citizen of the United States,
and who shall not, when elected, be an Inhabitant of th
Representatives and direct Taxes shall be appor
ed within this Union, according to their respective
Numbers, which shall be determined by adding to the w
o Service for a Term of Years, and excluding Indians
not taxed, three fifths of all other Persons. The actual
er the first Meeting of the Congreſs of the United States,
and within every subsequent Term of ten Years, in su
ber of Representatives shall not exceed one for every
thirty Thousand, but each State shall have at Least o
ll be made, the State of New Hampshire shall be
entitled to chuse three, Maſsachusetts eight, Rhode
t five, New York six, New Jersey four, Pennsylvania
eight, Delaware one, Maryland six, Virginia ten, N
ia three.
When vacancies happen in the Representatio
hall issue Writs of Election to fill such Vacancies.
The House of Representatives shall chuse th
e Power of Impeachment.
Section. 3. The Senate
for six Years; and each
Senator shall have one Vo
Immediately after
into three Claſses. The Seats
of the Senators of the first C
th Year, and of the third
Claſs at the Expiration of the
, or otherwise, during the
Receſs of the Legislature of an
re, which shall then fill
such Vacancies.
No Person shall b
ited States, and who shall
not, when elected, be an Inha
The Vice President o
hall exercise the Office of
The Senate shall chu
President of the United Stat
firmation. When the President
The Senate shall hav
mbers present.
of the United States, the Chief
d enjoy any Office of honor,
Judgment in Cases o
Trust or Profit under the United States: but the Party convicted shall nevertheleſs be liable and subject to Indictment, Trial, Judgment and Punishment, according to Law.

General Fund

The General Fund is maintained to account for all financial resources and transactions not accounted for in another fund.

Bryce Canyon National Park

Section. 4. The Times, Places and Manner of holding Elections for Senators and Representatives, shall be prescribed in each State by the Legislature thereof; but the Congreſs may at any time by Law make or alter such Regulations, except as to the Places of chusing Senators.

The Congreſs shall aſsemble at least once in every Year, and such Meeting shall be on the first Monday in December, unleſs they shall by Law appoint a different Day.

Section. 5. Each House shall be the Judge of the Elections, Returns and Qualifications of its own Members, and a Majority of each shall constitute a Quorum to do Busineſs; but a smaller Number may adjourn from day to day, and may be authorized to compel the Attendance of absent Members, in such Manner, and under such Penalties as each House may provide.

Each House may determine the Rules of its Proceedings, punish its Members for disorderly Behaviour, and, with the Concurrence of two thirds, expel a Member.

Each House shall keep a Journal of its Proceedings, and from time to time publish the same, excepting such Parts as may in their Judgment require Secrecy; and the Yeas and Nays of the Members of either House on any question shall, at the Desire of one fifth of those Present, be entered on the Journal.

Neither House, during the Seſsion of Congreſs, shall, without the Consent of the other, adjourn for more than three days, nor to any other Place than that in which the two Houses shall be sitting.

Section. 6. The Senators and Representatives shall receive a Compensation for their Services, to be ascertained by Law, and paid out of the Treasury of the United States. They shall in all Cases, except Treason, Felony and Breach of the Peace, be privileged from Arrest during their Attendance at the Seſsion of their respective Houses, and in going to and returning from the same; and for any Speech or Debate in either House, they shall not be questioned in any other Place.

No Senator or Representative shall, during the Time for which he was elected, be appointed to any civil Office under the Authority of the United States, which shall have been created, or the Emoluments whereof shall have been encreased during such time; and no Person holding any Office under the United States, shall be a Member of either House during his Continuance in Office.

Section. 7. All Bills for raising Revenue shall originate in the House of Representatives; but the Senate may propose or concur with Amendments as on other Bills.

Every Bill which shall have paſsed the House of Representatives and the Senate, shall, before it become a Law, be presented to the President of the United States; If he approve he shall sign it, but if not he shall return it, with his Objections to that House in which it shall have originated, who shall enter the Objections at large on their Journal, and proceed to reconsider it. If after such Reconsideration two thirds of that House shall agree to paſs the Bill, it shall be sent, together with the Objections, to the other House, by which it shall likewise be reconsidered, and if approved by two thirds of that House, it shall become a Law. But in all such Cases the Votes of both Houses shall be determined by yeas and Nays, and the Names of the Persons voting for and against the Bill shall be entered on the Journal of each House respectively. If any Bill shall not be returned by the President within ten Days (Sundays excepted) after it shall have been presented to him, the Same shall be a Law, in like Manner as if he had signed it, unleſs the Congreſs by their Adjournment prevent its Return, in which Case it shall not be a Law.

Every Order, Resolution, or Vote to which the Concurrence of the Senate and House of Representatives may be neceſsary (except on a Question of Adjournment)

Schedule of Revenues - Budget and Actual - General Fund - Detail by Source

For the Fiscal Year Ended June 30, 1987 (Expressed in Thousands)

	Budget	Actual	Variance Favorable (Unfavorable)
Unrestricted Revenues:			
Sales Tax	$ 577,000	$ 559,256	$ (17,744)
Licenses, Fees and Permits:			
Public Service Commission Fees	3,956	3,976	20
Insurance Fees	2,200	3,312	1,112
Circuit Court Collections - Civil	988	1,327	339
Other Licenses, Fees and Permits	6,229	7,767	1,538
Interest on Investments	11,032	3,837	(7,195)
Miscellaneous Taxes and Other:			
Beer Tax	8,500	8,040	(460)
Cigarette and Tobacco Tax	14,000	15,955	1,955
Inheritance Tax	4,500	2,318	(2,182)
Insurance Premium Tax	25,000	27,762	2,762
Mine Occupation Tax	26,000	21,530	(4,470)
Oil and Gas Conservation Tax	2,203	1,233	(970)
Taxpayer Rebates	(2,500)	(1,242)	1,258
Circuit Court Collections - Criminal Fees and Fines	7,850	6,708	(1,142)
Miscellaneous Other	3,842	355	(3,487)
Total Unrestricted Revenues	690,800	662,134	(28,666)
Restricted Revenues:			
Federal Contracts and Grants	454,177	454,177	0
Departmental Collections	102,128	104,779	2,651
Higher Education Dedicated Credits	66,209	66,209	0
Federal Mineral Lease	24,500	22,384	(2,116)
Interest on Investments	11,135	11,135	0
Miscellaneous	51,891	53,160	1,269
Total Restricted Revenues	710,040	711,844	1,804
Total General Fund Revenues	$ 1,400,840	1,373,978	$ (26,862)
Intrafund Eliminations		(154,001)	
Net General Fund Revenues-GAAP Basis		$ 1,219,977	

Schedule of Expenditures - Detail - Budget and Actual - General Fund

For the Fiscal Year Ended June 30, 1987 (Expressed in Thousands)

Line Item #	Appropriation Line Item Description	Budget as Appropriated and Amended	Actual Expenditures	Lapse To Unrestricted	Lapse to Restricted and Other	Non-Lapse Carryforward	Line Item #
GENERAL GOVERNMENT							
Legislature							
1	Senate	$ 634	$ 609	$ —	$ —	$ 25	1
2	House	1,087	1,006	—	—	81	2
3	Printing	590	496	—	—	94	3
4	Research & General Counsel	1,781	1,525	—	—	256	4
5	Tax Recodification	111	87	—	—	24	5
—	Data Retrieval	—	(1)	—	—	1	—
6	Fiscal Analyst	899	837	—	—	62	6
7	Auditor General	988	898	—	—	90	7
8	Conference of State Legislatures	47	47	—	—	—	8
11	Judicial Conduct Commission	24	20	—	—	4	11
10	Constitutional Revision Commission	74	53	—	—	21	10
9	Council of State Governments	40	40	—	—	—	9
	Total Legislature	$ 6,275	$ 5,617	$ 0	$ 0	$ 658	
Executive and Judicial							
28	Supreme Court	$ 1,482	$ 1,473	$ —	$ —	$ 9	28
29	Trial Courts - Court Administrator	1,838	1,837	1	—	—	29
30	Trial Courts - District Courts	3,868	3,867	1	—	—	30
31	Trial Courts - Circuit Courts	11,223	11,222	1	—	—	31
32	Trial Courts - Juror and Witness Fees	425	425	—	—	—	32
—	Trial Courts - Circuit Court Treasurer	2	—	2	—	—	—
33	Juvenile Courts	8,362	8,360	2	—	—	33
27	State Treasurer	624	612	12	—	—	27
17	GOV - Emergency & Contingency Fund	113	—	96	—	17	17
12	GOV - Administrative Office	1,038	1,002	3	—	33	12
13	GOV - Planning and Budget	1,361	1,354	—	—	7	13
16	GOV - Super Collider	25	9	—	—	16	16
15	GOV - Automated Geographic Reference	324	324	—	—	—	15
14	GOV - Data Processing Coordinator	313	308	—	—	5	14
—	GOV - NASBO & Governor's Conference	7	7	—	—	—	—
19	GOV - High Level Nuclear Waste	527	509	—	—	18	19
18	GOV - Criminal & Juvenile Justice	1,583	1,565	18	—	—	18
20	Lt. Governor	386	374	12	—	—	20
—	Lt. Governor - Constitution Bicentennial	41	36	—	—	5	—
21	Attorney General	5,478	5,477	1	—	—	21
—	AG - Reimbursed Expenses	75	75	—	—	—	—
22	AG - Anti-Trust Prosecutions	34	34	—	—	—	22
23	AG - Contractual Attorney Fees	1,056	1,056	—	—	—	23
24	AG - Statewide Prosecutors	50	50	—	—	—	24
25	AG - Uniform State Laws	7	6	1	—	—	25
—	AG - Miscellaneous Claims	44	44	—	—	—	—
—	AG - Economic Crime Unit	12	1	—	—	11	—
—	AG - Lien and Judgment Execution	78	5	—	—	73	—
—	AG - Tax Litigation	98	88	—	—	10	—
26	State Auditor	1,752	1,664	88	—	—	26
—	State Auditor - Grand Jury	366	366	—	—	—	—
	Total Executive and Judicial	$ 42,592	$ 42,150	$ 238	$ 0	$ 204	

Schedule of Expenditures - Detail - Budget and Actual - General Fund

continued

For the Fiscal Year Ended June 30, 1987 (Expressed in Thousands)

Line Item #	Appropriation Line Item Description	Budget as Appropriated and Amended	Actual Expenditures	Lapse To Unrestricted	Lapse to Restricted and Other	Non-Lapse Carryforward	Line Item #
	GENERAL GOVERNMENT (Cont.)						
	Government Operations						
94	Department of Administrative Services	$ 286	$ 285	$ 1	$ —	$ —	94
103	DAS - Archives	1,366	1,364	2	—	—	103
95	DAS - Facilities Const. & Management	1,484	1,481	3	—	—	95
96	DAS/DFCM - Facilities Management	2,597	2,552	45	—	—	96
—	DAS/DFCM - Agency Reorganization	429	239	—	—	190	—
99	DAS - Finance	4,384	4,351	—	—	33	99
100	DAS - Mandated Expenditures	2,370	2,245	111	14	—	100
101	DAS - Personnel Management	1,276	1,276	—	—	—	101
102	DAS - Purchasing	574	540	—	—	34	102
—	DAS - Crime Victim Reparation	233	158	—	75	—	—
104	Tax Commission - Administration	28,670	28,082	122	466	—	104
105	TAX - License Plates	1,663	1,157	—	—	506	105
—	TAX - Litigation Account	200	200	—	—	—	—
106	TAX - Liquor-Profits Distribution	4,132	4,129	3	—	—	106
—	Employment Security	40,248	37,465	—	2,783	—	—
62	DAS - Citizens Advisory Council	8	4	—	4	—	62
—	DAS - Overhead Reimbursement	1,988	—	1,988	—	—	—
108	Executive Reorganization Committee	144	94	50	—	—	108
107	Personnel Review Board	87	85	2	—	—	107
109	State Retirement Office	7,073	6,993	—	80	—	109
111	SRO - Legislative & Governor's Pension	82	82	—	—	—	111
112	SRO - Retirement Assistance Programs	1,235	1,215	20	—	—	112
	Total Government Operations	100,529	93,997	2,347	3,422	763	
	Total General Government	$ 149,396	141,764	$ 2,585	$ 3,422	$ 1,625	
	Intrafund Eliminations		(1,758)				
	Net General Government		$ 140,006				
	DEPARTMENT OF PUBLIC SAFETY						
245	DPS - Emergency Management	$ 6,567	$ 6,567	$ —	$ —	$ —	245
247	DPS - Highway Patrol	20,053	20,041	—	12	—	247
248	DPS - Safety Promotion	103	103	—	—	—	248
250	DPS - Officer Standards & Trng.	1,070	1,034	—	36	—	250
251	DPS - Law Enforcement Services	1,503	1,502	1	—	—	251
252	DPS - Driver License	6,200	6,110	3	87	—	252
246	DPS - Commissioner's Office	1,412	1,403	9	—	—	246
253	DPS - Highway Safety	1,349	1,349	—	—	—	253
249	DPS - Narcotic & Liquor Law Enforcement	1,720	1,701	19	—	—	249
—	DPS - Commercial Driver Training	2	—	—	—	2	—
254	DPS - Medicaid Fraud	546	546	—	—	—	254
256	DPS - Communications	1,134	1,117	11	6	—	256
255	DPS - State Fire Marshal	543	537	6	—	—	255
257	Utah National Guard	2,929	2,921	8	—	—	257
	Total Public Safety	$ 45,131	44,931	$ 57	$ 141	$ 2	
	Intrafund Eliminations		(772)				
	Net Public Safety		$ 44,159				

Schedule of Expenditures - Detail - Budget and Actual - General Fund

continued

For the Fiscal Year Ended June 30, 1987

(Expressed in Thousands)

Line Item #	Appropriation Line Item Description	Budget as Appropriated and Amended	Actual Expenditures	Lapse To Unrestricted	Lapse to Restricted and Other	Non-Lapse Carryforward	Line Item #
SOCIAL SERVICES							
228	Department of Social Services	$ 39,024	$ 38,219	$ —	$ —	$ 805	228
229	Community Operations	45,030	44,039	—	—	991	229
230	Mental Health	33,655	32,478	32	—	1,145	230
231	Alcoholism & Drugs	9,080	8,764	4	312	—	231
232	Public Assistance	87,835	87,787	48	—	—	232
233	Services to the Handicapped	39,821	39,740	47	—	34	233
234	Recovery Services	13,017	13,017	—	—	—	234
235	Family Services	12,567	11,772	570	225	—	235
39	Youth Corrections	11,983	11,875	108	—	—	39
236	Aging and Adult Services	8,109	7,994	115	—	—	236
—	Commodities	51,292	51,292	—	—	—	—
	Total Social Services	$ 351,413	346,977	$ 924	$ 537	$ 2,975	
	Intrafund Eliminations		(41,013)				
	Net Social Services		$ 305,964				
CORRECTIONS							
36	Corrections Administration	$ 47,301	$ 47,051	$ 245	$ —	$ 5	36
38	DOC - Jail Reimbursement	975	975	—	—	—	38
41	DOC - Jail Contracts	500	455	45	—	—	41
37	DOC - Board of Pardons	554	538	16	—	—	37
	Total Corrections	$ 49,330	49,019	$ 306	$ 0	$ 5	
	Intrafund Eliminations		(289)				
	Net Corrections		$ 48,730				
HEALTH							
237	Department of Health	$ 4,659	$ 4,649	$ 10	$ —	$ —	237
238	Management Planning	2,261	2,255	6	—	—	238
244	Building Rent	1,496	1,496	—	—	—	244
239	Environmental Health	26,072	26,026	1	10	35	239
240	Community Health Services	6,718	6,208	1	—	509	240
241	Family Health Services	23,533	23,531	2	—	—	241
243	Health Care Financing	17,785	17,482	—	—	303	243
242	Medical Assistance	207,995	207,992	—	—	3	242
—	Water Security Enhancement	192	192	—	—	—	—
	Total Health	$ 290,711	289,831	$ 20	$ 10	$ 850	
	Intrafund Eliminations		(38,418)				
	Net Health		$ 251,413				

Schedule of Expenditures - Detail - Budget and Actual - General Fund

continued

For the Fiscal Year Ended June 30, 1987

(Expressed in Thousands)

Line Item #	Appropriation Line Item Description	Budget as Appropriated and Amended	Actual Expenditures	Lapse To Unrestricted	Lapse to Restricted and Other	Non-Lapse Carryforward	Line Item #
HIGHER EDUCATION							
188	Board of Regents	$ 1,329	$ 1,329	$ —	$ —	$ —	188
—	REG - Student Incentive Grants	573	573	—	—	—	—
191	REG - Computer Services & Uniform Acct.	103	103	—	—	—	191
190	REG - Intercollegiate Assembly	3	3	—	—	—	190
193	REG - Statewide T.V.	148	148	—	—	—	193
192	REG - Student Loans	329	144	—	—	185	192
189	REG - Interstate Coop.	854	848	—	—	6	189
194	REG - Normal Scholarships	569	536	—	—	33	194
—	REG - Title II Funds	123	105	—	—	18	—
—	REG - Teacher Scholarships	68	66	—	—	2	—
125	U of U - Education & General	117,153	117,153	—	—	—	125
126	U of U - Ed. Disadvantaged	551	551	—	—	—	126
127	U of U - College of Medicine	13,525	13,525	—	—	—	127
128	U of U - University Hospital	2,791	2,791	—	—	—	128
130	U of U - Regional Dental Education	422	422	—	—	—	130
131	U of U - Center for Economic Dev.	80	80	—	—	—	131
132	U of U - Research & Trng. Grants	2,045	2,045	—	—	—	132
133	U of U - Seismograph Stations	193	193	—	—	—	133
134	U of U - Museum of Natural History	236	236	—	—	—	134
135	U of U - State Arboretum	63	63	—	—	—	135
138	U of U - KUED County Translators	1,711	1,711	—	—	—	138
139	U of U - Cooperative Nursing	275	275	—	—	—	139
136	U of U - Scientific Instrumentation	300	300	—	—	—	136
—	U of U - Miners Hospital	98	98	—	—	—	—
—	U of U - Land Grant Interest	189	189	—	—	—	—
137	U of U - Coal Research	600	600	—	—	—	137
140	U of U - Mineral Lease Research	1,847	1,847	—	—	—	140
142	USU - Education & General	55,733	55,733	—	—	—	142
143	USU - Ed. Disadvantaged	88	88	—	—	—	143
144	USU - Water Research Lab.	1,278	1,278	—	—	—	144
146	USU - Research & Trng. Grants	673	673	—	—	—	146
145	USU - Ecology Center	524	524	—	—	—	145
154	USU - Agriculture Experiment Station	6,076	6,076	—	—	—	154
155	USU - Cooperative Extension Service	5,053	5,053	—	—	—	155
148	USU - Uintah Basin CEC	784	784	—	—	—	148
147	USU - Southeastern Utah CEC	363	363	—	—	—	147
149	USU - Man & His Bread Museum	91	91	—	—	—	149
150	USU - Coop. Mast. of Ed. Degree/SUSC	115	115	—	—	—	150
152	USU - Production Center	227	227	—	—	—	152
157	USU - Federal Vocational Education	135	135	—	—	—	157
156	USU - Land Grant Interest	65	65	—	—	—	156
153	USU - Mineral Lease Research	973	973	—	—	—	153
158	Weber - Education & General	37,582	37,582	—	—	—	158
159	Weber - Ed. Disadvantaged	186	186	—	—	—	159
160	Weber - Computer Systems Modification	20	20	—	—	—	160
161	Weber - Cooperative Nursing USU	198	198	—	—	—	161
162	Weber - Cooperative Nursing UTC/SL	296	296	—	—	—	162
163	Weber - Cooperative Nursing SUSC/Dixie	191	191	—	—	—	163
164	Weber - Federal Vocational Education	321	321	—	—	—	164
165	SUSC - Education & General	10,965	10,965	—	—	—	165
166	SUSC - Ed. Disadvantaged	47	47	—	—	—	166
167	SUSC - Coop. Mast. of Ed. Degree/USU	28	28	—	—	—	167
168	SUSC - Shakespearean Festival	13	13	—	—	—	168

Schedule of Expenditures - Detail - Budget and Actual - General Fund

continued

For the Fiscal Year Ended June 30, 1987

(Expressed in Thousands)

Line Item #	Appropriation Line Item Description	Budget as Appropriated and Amended	Actual Expenditures	Lapse To Unrestricted	Lapse to Restricted and Other	Non-Lapse Carryforward	Line Item #
	HIGHER EDUCATION (Cont.)						
169	SUSC - Federal Vocational Education	$ 49	$ 49	$ —	$ —	$ —	169
177	CEU - Education and General	4,736	4,736	—	—	—	177
178	CEU - Ed. Disadvantaged	58	58	—	—	—	178
179	CEU - Prehistoric Museum	33	33	—	—	—	179
180	CEU - San Juan Center	571	571	—	—	—	180
181	CEU - Federal Vocational Education	312	312	—	—	—	181
173	Dixie - Education & General	6,727	6,727	—	—	—	173
174	Dixie - Ed. Disadvantaged	15	15	—	—	—	174
175	Dixie - Zion Park Amphitheatre	55	55	—	—	—	175
170	Snow College - Education & General	6,012	6,012	—	—	—	170
171	Snow College - Ed. Disadvantaged	24	24	—	—	—	171
172	Snow College - Federal Vocational Ed.	283	283	—	—	—	172
185	SLCC - Education & General	18,276	18,276	—	—	—	185
186	SLCC - Ed. Disadvantaged	62	62	—	—	—	186
187	SLCC - Federal Vocational Education	15	15	—	—	—	187
182	UVCC - Education & General	15,994	15,994	—	—	—	182
183	UVCC - Ed. Disadvantaged	50	50	—	—	—	183
184	UVCC - Federal Vocational Ed.	512	512	—	—	—	184
	Total Higher Education	$ 321,987	321,743	$ 0	$ 0	$ 244	
	Appropriations Transferred to Colleges and Universities	246,625	(246,625)				
	Intrafund Eliminations		(70,525)				
	Net Higher Education		$ 4,593				
	NATURAL RESOURCES						
195	Department of Natural Resources	$ 1,136	$ 1,130	$ 6	$ —	$ —	195
197	DNR - Rent, Utilities, Fixtures	1,204	1,204	—	—	—	197
216	DNR - Middle Fork Ogden River	1,260	1,259	1	—	—	216
198	DNR - State Lands & Forestry	4,567	3,342	—	972	253	198
217	DNR/SLF - Water Tank	395	395	—	—	—	217
199	DNR - Oil, Gas, & Mining	4,526	4,318	20	—	188	199
200	DNR - Wildlife Resources	16,866	16,073	—	572	221	200
202	DNR/DWR - Hardware Ranch	13	13	—	—	—	202
215	DNR/DWR - Capital Development	2,979	2,529	—	—	450	215
203	DNR/DWR - Contributed Research	170	83	—	—	87	203
201	DNR/DWR - Cooperative Studies	210	210	—	—	—	201
206	DNR - Parks & Recreation	10,975	10,017	1	—	957	206
214	DNR/DPR - Capital Development	1,490	938	—	—	552	214
207	DNR - Geological & Mineral Survey	2,308	2,308	—	—	—	207
208	DNR - Water Resources	4,343	3,787	1	112	443	208
209	DNR - Water Rights	3,869	3,836	33	—	—	209
210	DNR - Utah Energy Office	3,973	3,942	—	9	22	210
	Total Natural Resources	$ 60,284	55,384	$ 62	$ 1,665	$ 3,173	
	Intrafund Eliminations		(529)				
	Net Natural Resources		$ 54,855				

Schedule of Expenditures - Detail - Budget and Actual - General Fund

continued

For the Fiscal Year Ended June 30, 1987

(Expressed in Thousands)

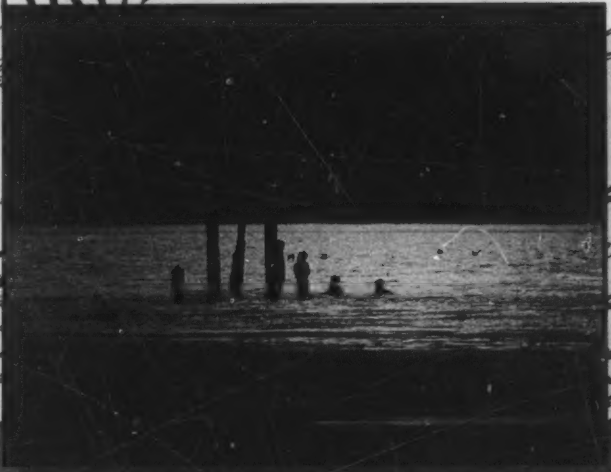
Line Item #	Appropriation Line Item Description	Budget as Appropriated and Amended	Actual Expenditures	Lapse To Unrestricted	Lapse to Restricted and Other	Non-Lapse Carryforward	Line Item #
BUSINESS, LABOR & AGRICULTURE							
74	AGR - Building Maintenance	$ 125	$ 125	$ —	$ —	$ —	74
44	AGR - Brand Inspection	562	561	—	1	—	44
45	AGR - Predatory Animal Control	710	664	—	46	—	45
—	AGR - Estray Animal	7	—	—	7	—	—
42	Department of Agriculture	4,155	4,146	9	—	—	42
43	AGR - Marketing & Development	959	948	11	—	—	43
51	AGR - T.B. and Bangs	10	5	—	5	—	51
46	AGR - Auction Market Veterinarian	48	45	—	—	3	46
53	AGR - Insect Infestation	1,287	208	—	497	582	53
47	AGR - Grain Inspection	299	278	—	—	21	47
49	AGR - Pesticide	153	153	—	—	—	49
50	AGR - Sheep Promotion	65	40	—	25	—	50
48	AGR - Soil Conservation Commission	60	60	—	—	—	48
52	AGR - Non Point Pollution	38	38	—	—	—	52
65	Industrial Commission	3,645	3,645	—	—	—	65
71	IC - Building Maintenance	99	99	—	—	—	71
55	DBR - Recreation Vehicle Standards	225	220	—	5	—	55
56	DBR - Real Estate Education	93	92	—	1	—	56
58	DBR - Division of Public Utilities	2,662	2,294	5	—	363	58
54	Department of Business Regulations	3,959	3,911	28	9	11	54
59	DBR/DPU - Professional Services	215	72	—	—	143	59
60	DBR - Committee on Consumer Services	307	307	—	—	—	60
61	DBR/CCS - Professional Services	250	139	—	—	111	61
69	DBR - Building Maintenance	137	137	—	—	—	69
64	Financial Institutions	1,490	1,337	—	153	—	64
70	FI - Building Maintenance	29	29	—	—	—	70
—	FI - Thrifts	182	182	—	—	—	—
—	FI - Thrifts Acquisition	2,569	372	—	—	2,197	—
72	ID - Building Maintenance	45	45	—	—	—	72
66	Insurance Department	1,748	1,683	61	—	4	66
57	Public Service Commission	1,020	965	55	—	—	57
73	PSC - Building Maintenance	24	24	—	—	—	73
	Total Business, Labor & Agriculture	$ 27,177	22,824	$ 169	$ 749	$ 3,435	
	Intrafund Eliminations		(354)				
	Net Business, Labor & Agriculture		$ 22,470				

Schedule of Expenditures - Detail - Budget and Actual - General Fund

continued

For the Fiscal Year Ended June 30, 1987 (Expressed in Thousands)

Line Item #	Appropriation Line Item Description	Budget as Appropriated and Amended	Actual Expenditures	Lapse To Unrestricted	Lapse to Restricted and Other	Non-Lapse Carryforward	Line Item #
	COMMUNITY & ECONOMIC DEVELOPMENT						
78	Community & Economic Development	$ 716	$ 684	$ —	$ —	$ 32	78
79	Office of Job Training	17,149	17,147	2	—	—	79
81	Indian Affairs Division	97	90	7	—	—	81
84	Asian Affairs	41	41	—	—	—	84
82	Black Affairs	61	54	7	—	—	82
83	Hispanic Affairs	42	39	3	—	—	83
92	Community Services Office	1,346	1,346	—	—	—	92
80	Utah Technology Finance Agency	92	92	—	—	—	80
85	Economic & Industrial Develop.	8,293	5,859	2	—	2,432	85
86	Travel Development	3,741	3,738	3	—	—	86
87	Expositions	1,715	1,669	—	—	46	87
88	State History	1,668	1,617	—	—	51	88
89	Fine Arts	2,205	2,205	—	—	—	89
—	Percent for the Arts	62	6	—	—	56	—
90	State Library Division	3,898	3,887	11	—	—	90
—	Library Revolving Fund	312	297	—	—	15	—
91	Community Development	6,344	6,209	126	9	—	91
93	Community Impact Grants	6,428	6,428	—	—	—	93
—	Flood Relief	12,857	7,506	—	—	5,351	—
	Total Community & Economic Dev.	$ 67,067	58,914	$ 161	$ 9	$ 7,983	
	Intrafund Eliminations		(343)				
	Net Community & Economic Dev.		$ 58,571				
	TAX ANTICIPATION NOTES						
—	Interest Charges	$ 7,270	$ 7,270	$ —	$ —	$ —	—
	Total Tax Anticipation Notes	$ 7,270	$ 7,270	$ 0	$ 0	$ 0	



Special Revenue Funds

The Special Revenue Funds are maintained to account for specific revenues that are earmarked to finance specific functions of government. A brief description of the Funds follow.

Uniform School Fund — This fund is maintained to account for revenues and expenditures of the State Office of Education which supports public elementary and secondary schools. Revenues are derived from individual and corporate income taxes and school lunch taxes. Appropriations from the General Fund cover any expenditures in excess of revenues.

Transportation Fund — This fund is maintained to account for revenues and expenditures associated with the highway construction and maintenance. Funding is provided from dedicated highway user taxes and fees, as well as various federal highway administration funds. Federal funds accruing to the Transportation Fund are received on a reimbursement basis after the costs have been incurred. Due to timing differences in matching tax collections with construction periods and due to delays in federal reimbursements, this fund generally borrows cash on a short-term basis from the General Fund.

Great Salt Lake

Combining Balance Sheet
Special Revenue Funds

June 30, 1987 (Expressed in Thousands)

	Uniform School Fund	Trans-portation Fund	Total June 30, 1987
Assets			
Cash and Cash Equivalents	$ 15,471	$ 119	$ 15,590
Receivables:			
Accounts	8,090	33,581	41,671
Notes	1,700	—	1,700
Unbilled	—	6,330	6,330
Due From Other Funds	2,460	3,886	6,346
Inventories	301	12,066	12,367
Total Assets	$ 28,022	$ 55,982	$ 84,004
Liabilities and Fund Balance			
Liabilities:			
Vouchers Payable	$ 13,298	$ 16,985	$ 30,283
Accrued Liabilities	1,244	3,267	4,511
Due to Other Funds	893	23,156	24,049
Deferred Revenue	314	6,330	6,644
Total Liabilities	15,749	49,738	65,487
Fund Balance:			
Reserved:			
Reserved by State Law	10,573	5,025	15,598
Reserved for School Building Loans	1,700	—	1,700
Total Reserved	12,273	5,025	17,298
Unreserved	—	1,219	1,219
Total Fund Balance	12,273	6,244	18,517
Total Liabilities and Fund Balance	$ 28,022	$ 55,982	$ 84,004

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Special Revenue Funds

For the Fiscal Year Ended June 30, 1987 **(Expressed in Thousands)**

	Uniform School Fund	Transportation Fund	Total June 30, 1987
Revenues:			
Unrestricted:			
Individual Income Tax	$ 533,190	$ —	$ 533,190
Corporate Franchise Tax	69,409	—	69,409
Motor and Special Fuel Tax	—	120,612	120,612
Licenses, Fees and Permits	—	34,838	34,838
Interest on Investments	7,940	—	7,940
Miscellaneous Taxes and Other	12,332	—	12,332
Total Unrestricted	622,871	155,450	778,321
Restricted:			
Federal Contracts and Grants	86,160	156,041	242,201
Departmental Collections	6,365	6,944	13,309
Public Education Dedicated Credits	9	—	9
Aeronautics	—	11,093	11,093
Miscellaneous	11,070	—	11,070
Total Restricted	103,604	174,078	277,682
Total Revenues	726,475	329,528	1,056,003
Expenditures:			
Public Education	743,529	—	743,529
Transportation	—	299,650	299,650
Total Expenditures	743,529	299,650	1,043,179
Excess of Revenues Over (Under) Expenditures	(17,054)	29,878	12,824
Other Financing Sources (Uses):			
Operating Transfers In	42,211	5,993	48,204
Operating Transfers Out	(20,756)	(43,915)	(64,671)
Total Other Financing Sources (Uses)	21,455	(37,922)	(16,467)
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	4,401	(8,044)	(3,643)
Beginning Fund Balance	7,872	3,088	10,960
Residual Equity Transfers	—	11,200	11,200
Ending Fund Balance	$ 12,273	$ 6,244	$ 18,517

Schedule of Revenues - Budget and Actual - Uniform School Fund - Detail by Source

For the Fiscal Year Ended June 30, 1987 (Expressed in Thousands)

	Budget	Actual	Variance Favorable (Unfavorable)
Unrestricted:			
Individual Income Tax	$ 484,000	$ 533,190	$ 49,190
Corporate Franchise Tax	81,000	69,409	(11,591)
Interest on Investments	11,000	7,940	(3,060)
Miscellaneous Taxes	15,900	12,336	(3,564)
Total Unrestricted Revenues	591,900	622,875	30,975
Restricted:			
Federal Contracts and Grants	86,160	86,160	0
Departmental Collections	6,365	6,365	0
Public Education Dedicated Credits	9	9	0
Miscellaneous:			
School Lunch Tax	8,609	8,609	0
Drivers Education Tax	2,292	2,292	0
Other	2,295	2,319	24
Total Restricted Revenues	105,730	105,754	24
Total Uniform School Fund Revenues	$ 697,630	728,629	$ 30,999
Intrafund Eliminations		(2,154)	
Net Uniform School Fund Revenues - GAAP Basis		$ 726,475	

Schedule of Expenditures - Detail - Budget and Actual - Uniform School Fund

For the Fiscal Year Ended June 30, 1987 (Expressed in Thousands)

Line Item #	Appropriation Line Item Description	Budget as Appropriated and Amended	Actual Expenditures	Lapse To Unrestricted	Lapse to Restricted and Other	Non-Lapse Carryforward	Line Item #
PUBLIC EDUCATION							
—	Indirect Cost Pool	$ —	$ 158	$ —	$ (158)	$ —	—
220	Custom Fit Training	1,704	414	—	—	1,290	220
219	State Training School	1,332	1,332	—	—	—	219
—	Educational Excellence	372	336	—	—	36	—
—	State Hospital	478	478	—	—	—	—
224	Bd. of Ed.-Utah Symphony	415	415	—	—	—	224
225	Bd. of Ed.-Ballet West	169	169	—	—	—	225
227	Bd. of Ed.-Utah Opera Company	64	64	—	—	—	227
226	Bd. of Ed.-Hansen Planetarium	145	145	—	—	—	226
—	Bd. of Ed.-Commodities	9,879	9,879	—	—	—	—
—	Combined Area Vocational Centers	6,847	6,405	—	442	—	—
221	Area Vocational & Skill Centers	9,566	9,566	—	—	—	221
—	Minimum School Program	611,968	607,624	—	—	4,344	—
218	Board of Education	103,739	101,016	—	4	2,719	218
223	Schools for the Deaf and Blind	7,960	7,682	—	—	278	223
	Total Public Education	$ 754,638	745,683	$ 0	$ 288	$ 8,667	
	Intrafund Eliminations		(2,154)				
	Net Public Education		$ 743,529				

Schedule of Revenues - Budget and Actual - Transportation Fund - Detail by Source

For the Fiscal Year Ended June 30, 1987 (Expressed in Thousands)

	Budget	Actual	Variance Favorable (Unfavorable)
Unrestricted:			
Motor Fuel Tax	$ 96,600	$ 99,985	$ 3,385
Special Fuel Tax	20,600	20,627	27
Licenses, Fees and Permits:			
Motor Vehicle Registration Fees	18,802	17,926	(876)
Proportional Registration Fees	4,498	4,004	(494)
Temporary Permits	1,319	1,008	(311)
Special Transportation Permits	2,614	2,632	18
Highway Use Permits	2,255	2,066	(189)
Drivers License	4,362	4,388	26
Motor Vehicle Control Fees	1,054	1,004	(50)
Miscellaneous	1,096	1,810	714
Total Unrestricted Revenues	153,200	155,450	2,250
Restricted:			
Federal Contracts and Grants	156,041	156,041	0
Departmental Collections	6,944	6,944	0
Aeronautics Fund	9,736	11,093	1,357
Total Restricted Revenues	172,721	174,078	1,357
Total Transportation Fund Revenues	$ 325,921	329,528	$ 3,607
Intrafund Eliminations		—	
Net Transportation Fund Revenues - GAAP Basis		$ 329,528	

Schedule of Expenditures - Detail - Budget and Actual - Transportation Fund

For the Fiscal Year Ended June 30, 1987 (Expressed in Thousands)

Line Item #	Appropriation Line Item Description	Budget as Appropriated and Amended	Actual Expenditures	Lapse To Unrestricted	Lapse to Restricted and Other	Non-Lapse or (Deficit) Carryforward	Line Item #
DEPARTMENT OF TRANSPORTATION							
259	Support Services	$ 7,239	$ 7,037	$ 202	$ —	$ —	259
265	Contract Administration	525	490	35	—	—	265
267	District Management	6,000	5,784	216	—	—	267
269	Federal Construction	172,813	172,813	—	—	—	269
270	State Construction	17,646	13,368	1,094	—	3,184	270
271	Equipment Management	7,076	6,223	853	—	—	271
272	Engineering Services	4,226	4,021	205	—	—	272
274	Maintenance Management	39,830	36,802	3,028	—	—	274
275	Sidewalk Construction	500	685	—	—	(185)	275
276	Highway Rehabilitation	16,600	16,447	153	—	—	276
277	B & C Roads	31,299	30,991	308	—	—	277
278	Aeronautics	10,754	10,523	—	231	—	278
—	Non Appropriated	1,848	(5,534)	7,382	—	—	—
		$ 316,356	299,650	$ 13,476	$ 231	$ 2,999	
	Intrafund Eliminations		—				
	Net Transportation		$ 299,650				

Lake Powell, Rainbow Bridge

Enterprise Funds

The Enterprise Funds are used to account for the operations of State agencies that provide goods and services to the general public and finance their operations through user charges. The State's enterprise operations are described below.

Housing Finance Agency — Created by the legislature in 1975, the purpose of this agency is to provide an alternate source of funding for home mortgages, particularly for lower income families. The agency is funded entirely through the issuance of bonds which are repaid from the interest and principal payments made on mortgages.

Student Assistance Programs — Created by the legislature in 1977, the Student Assistance Programs are comprised of the Utah Higher Education Assistance Authority and the State Board of Regents' Student Loan Purchase Programs. The purpose of the programs are to guarantee the repayment of student loans made by participating lenders to eligible borrowers and to make loans to, and purchase the loans of, qualified students attending eligible institutions of higher education. Funds are acquired from bonds, lines-of-credit, variable rate demand notes, and financing agreements with the Student Loan Marketing Association.

Worker's Compensation — The Worker's Compensation Fund is a State operated, non-profit worker's compensation insurance company. It was established by the legislature in 1917 to provide worker's compensation insurance to Utah employers at the lowest possible cost, while maintaining an actuarially sound insurance operation. The fund insures approximately 21,000 private business and governmental entities, and processes nearly 40,000 claims each year. The fund is owned by the policyholders, and all funding comes from the premiums paid by them for the insurance.

Alcoholic Beverage Control — Alcoholic Beverage Control Commission was originally established by the legislature in 1935 as the Utah Liquor Commission. The Commission's purpose is to conduct, license, and regulate the sale of alcoholic beverages. Funding is provided through the sale of products. The net profit from the fund is transferred to the State's General Fund and is used for general government purposes.

Technology Finance Corporation — The Corporation was authorized by the Utah Technology and Innovation Act and was incorporated as a non-profit corporation in 1983. The purpose of the Corporation is to encourage and assist in the development, promotion, and growth of technological and innovative emerging and developing small businesses throughout the State of Utah. Funding is by grants, earnings from other sources, and from an appropriation from the State's General Fund.

Utah Correctional Industries — Utah Correctional Industries (UCI) was established to provide employment for prisoners of the Utah State Prison. UCI manufactures items for sale such as license plates, furniture, highway signs, printing services, and dairy and meat products and sells other miscellaneous products and services. Funding comes from charges for the products and services.

Blind Industries — The Blind Industries is a sheltered workshop that provides employment, evaluation, and training for adults who are blind or visually impaired. They are financed through sales of products and from State appropriations.

Combining Balance Sheet
Enterprise Funds

June 30, 1987 (Expressed in Thousands)

	Alcoholic Beverage Control	Housing Finance Agency	Worker's Compensation	Student Assistance Programs	Blind Industries	Technology Finance Corporation	Utah Correctional Industries	Total June 30, 1987
Assets								
Current Assets:								
Cash and Cash Equivalents	$ 54	$ 283,871	$ 56,170	$ 28,903	$ —	$ 2,176	$ 1,543	$ 372,717
Receivables:								
Accounts	354	324	11,254	1,691	110	—	77	13,810
Notes	—	15,004	—	—	—	—	—	15,004
Accrued Interest	—	10,067	2,251	3,571	—	—	—	15,889
Due From Other Funds	2	—	—	—	3	—	595	600
Inventories	10,103	—	—	—	521	—	1,065	11,689
Prepaid Expenses	25	131	—	12	—	3	2	173
Total Current Assets	10,538	309,397	69,675	34,177	634	2,179	3,282	429,882
Other Assets:								
Other Investments	—	94,009	80,526	6,594	—	—	—	181,129
Notes Receivable Due After One Year	—	562,951	—	163,207	—	10	—	726,168
Deferred Charges Due After One Year	—	15,457	—	105	—	—	—	15,562
Total Other Assets	0	672,417	80,526	169,906	0	10	0	922,859
Fixed Assets:								
Land	1,067	250	325	—	—	—	—	1,642
Buildings and Improvements	3,380	214	1,523	—	—	5	134	5,256
Machinery and Equipment	2,668	168	758	600	132	24	1,082	5,432
Accumulated Depreciation	(2,745)	(121)	(792)	(465)	(83)	(16)	(471)	(4,693)
Total Fixed Assets	4,370	511	1,814	135	49	13	745	7,637
Total Assets	$ 14,908	$ 982,325	$ 152,015	$ 204,218	$ 683	$ 2,202	$ 4,027	$ 1,360,378
Liabilities and Fund Equity								
Liabilities:								
Current Liabilities:								
Vouchers Payable	$ 807	$ 1,101	$ 2,145	$ 721	$ 11	$ 51	$ 303	$ 5,139
Accrued Liabilities	577	31,350	—	2,670	24	—	143	34,764
Deposits in Custody Due Within One Year	—	—	13,809	—	—	—	—	13,809
Due to Other Funds	8,834	—	54	—	354	—	89	9,331
Deferred Revenue Due Within One Year	119	571	—	700	—	—	—	1,390
Policy Claim Liabilities Due Within One Year	—	—	28,216	—	—	—	—	28,216
Notes Payable Due Within One Year	—	—	—	1,000	—	—	7	1,007
Revenue Bonds Payable Due Within One Year	—	64,461	—	2,300	—	—	—	66,761
Total Current Liabilities	10,337	97,483	44,224	7,391	389	51	542	160,417
Long-Term Liabilities:								
Deposits in Custody Due After One Year	—	—	—	1,225	—	—	—	1,225
Deferred Revenue Due After One Year	—	1,000	—	1,989	—	—	—	2,989
Policy Claim Liabilities Long-Term Portion	—	—	93,615	—	—	—	—	93,615
Notes Payable Due After One Year	—	—	—	132,577	—	—	18	132,595
Revenue Bonds Payable Due After One Year	—	812,212	—	24,648	—	—	—	836,860
Total Long-Term Liabilities	0	813,212	93,615	160,439	0	0	18	1,067,284
Total Liabilities	10,337	910,695	137,839	167,830	389	51	560	1,227,701
Fund Equity:								
Contributed Working Capital	4,571	—	—	—	396	2,775	3,467	11,209
Retained Earnings	—	71,630	14,176	36,388	(102)	(624)	—	121,468
Total Fund Equity	4,571	71,630	14,176	36,388	294	2,151	3,467	132,677
Total Liabilities and Fund Equity	$ 14,908	$ 982,325	$ 152,015	$ 204,218	$ 683	$ 2,202	$ 4,027	$ 1,360,378

Combining Statement of Revenues, Expenses and Changes in Retained Earnings - Enterprise Funds

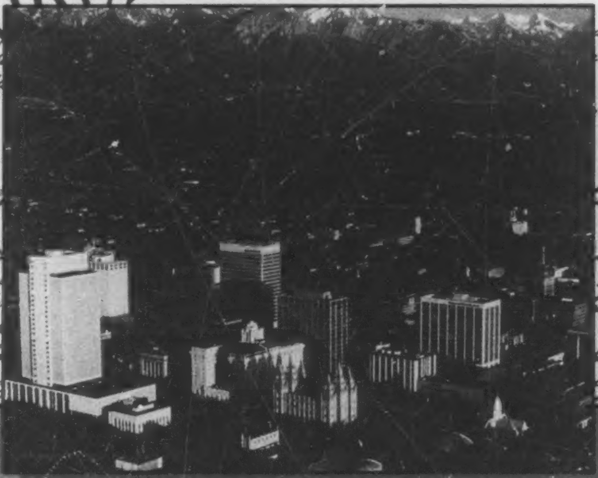
For the Fiscal Year Ended June 30, 1987 **(Express in Thousands)**

	Alcoholic Beverage Control	Housing Finance Agency	Worker's Compensation	Student Assistance Programs	Blind Industries	Technology Finance Corporation	Utah Correctional Industries	Total June 30, 1987
Operating Revenues:								
Interest on Investments	$ —	$ 24,008	$ —	$ 2,482	$ —	$ 172	$ —	$ 26,662
Sales:								
Liquor Sales (Net of $12,613 Sales and School Lunch Tax)	68,659	—	—	—	—	—	—	68,659
Permits, Licenses and Fees	350	—	—	—	—	—	—	350
Charges for Services/Premiums	—	2,963	51,585	1,772	749	—	4,379	61,448
Interest on Mortgages/Notes	—	54,872	—	12,837	—	—	—	67,709
Miscellaneous	—	7	—	2,623	—	92	—	2,722
Total Operating Revenue	69,009	81,850	51,585	19,714	749	264	4,379	227,550
Cost of Goods Sold	43,423	—	—	—	342	—	1,981	45,746
Gross Profit	25,586	81,850	51,585	19,714	407	264	2,398	181,804
Operating Expenses:								
Administration	6,854	3,279	9,321	4,025	337	663	1,186	25,665
Rentals and Leases	672	—	—	—	—	12	98	782
Maintenance	194	—	—	—	6	—	98	298
Interest	—	74,408	—	10,965	—	—	—	85,373
Depreciation	514	26	172	119	11	4	84	930
Benefit Claims	—	—	79,203	—	—	—	—	79,203
Supplies and Other Miscellaneous	176	—	—	—	44	15	855	1,090
Total Operating Expenses	8,410	77,713	88,696	15,109	398	694	2,321	193,341
Total Operating Income (Loss)	17,176	4,137	(37,111)	4,605	9	(430)	77	(11,537)
Non-Operating Income (Expense):								
Interest on Investments	—	—	11,232	—	—	—	—	11,232
Gain on Investments	—	—	828	—	—	—	—	828
Gain (Loss) on Sale of Fixed Assets	1	—	—	—	(4)	—	—	(3)
Total Non-Operating Income (Expenses)	1	0	12,060	0	(4)	0	0	12,057
Income (Loss) Before Operating Transfers	17,177	4,137	(25,051)	4,605	5	(430)	77	520
Operating Transfers Out	(17,177)	—	(46)	—	—	—	(82)	(17,305)
Net Income (Loss) After Operating Transfers	0	4,137	(25,097)	4,605	5	(430)	(5)	(16,785)
Beginning Retained Earnings	—	68,775	47,673	31,783	(99)	(194)	5	147,943
Adjustments to Beginning Retained Earnings (Note C)	—	(1,282)	—	—	(8)	—	—	(1,290)
Beginning Retained Earnings as Adjusted	0	67,493	47,673	31,783	(107)	(194)	5	146,653
Ending Retained Earnings Before Dividends	—	71,630	22,576	36,388	(102)	(624)	—	129,868
Dividends Declared	—	—	(8,400)	—	—	—	—	(8,400)
Ending Retained Earnings	$ 0	$ 71,630	$ 14,176	$ 36,388	$ (102)	$ (624)	$ 0	$ 121,468

Combining Statement of Changes in Financial Position Enterprise Funds

For the Fiscal Year Ended June 30, 1987 **(Expressed in Thousands)**

	Alcoholic Beverage Control	Housing Finance Agency	Worker's Compensation	Student Assistance Programs	Blind Industries	Technology Finance Corporation	Utah Correctional Industries	Total June 30, 1987
Sources of Working Capital:								
Operations:								
Net Income (Loss)	$ —	$ 4,137	$ (25,097)	$ 4,605	$ 5	$ (430)	$ (5)	$ (16,785)
Items Not Requiring Working Capital:								
Depreciation	514	26	172	104	11	4	84	915
Amortization of Deferred Charges/Revenue	—	2,182	—	50	—	—	—	2,232
Loss (Gain) on Disposition of Property and Equipment	(1)	—	—	—	4	—	—	3
Total Sources From Operations	513	6,345	(24,925)	4,759	20	(426)	79	(13,635)
Increase in Policy Claim Liabilities	—	—	36,864	—	—	—	—	36,864
Increase in Notes Payable	—	—	—	11,700	—	—	31	11,731
Additions to Long-Term Debt	—	242,479	—	815	—	—	—	243,294
Increase in Contributed Working Capital	475	—	—	—	—	—	—	475
Decrease in Other Investments	—	—	24,324	—	—	—	—	24,324
Decrease in Mortgages/Notes Receivable	—	81,709	—	20,527	—	—	—	102,236
Proceeds on Disposal of Property and Equipment	1	—	31	—	—	—	—	32
Decrease in Deferred Charges	—	747	—	108	—	—	—	855
Total Sources of Working Capital	989	331,280	36,294	37,909	20	(426)	110	406,176
Uses of Working Capital:								
Net Policyholder Dividend Declared	—	—	8,400	—	—	—	—	8,400
Increase in Other Investments	—	44,355	—	12	—	—	—	44,367
Increase in Mortgages/Notes Receivable	—	45,688	—	33,633	—	10	—	79,331
Acquisition of Property and Equipment	195	27	398	12	—	2	283	917
Decrease in Deposits in Custody	—	—	—	120	—	—	—	120
Decrease in Notes Payable	—	—	—	6,268	—	—	9	6,277
Payments on Long-Term Debt	—	230,438	—	3,120	—	—	—	233,558
Decrease in Contributed Working Capital	5,514	4,671	—	—	—	—	230	10,415
Total Uses of Working Capital	5,709	325,179	8,798	43,165	0	12	522	383,385
Net Increase (Decrease) in Working Capital	$ (4,720)	$ 6,101	$ 27,496	$ (5,256)	$ 20	$ (438)	$ (412)	$ 22,791
Elements of Net Increase (Decrease) in Working Capital:								
Cash and Cash Equivalents	$ —	$ 49,547	$ 34,863	$ (708)	$ —	$ (400)	$ (330)	$ 82,972
Accounts Receivable/Due From Other Funds	117	324	2,174	(708)	18	—	(917)	1,008
Notes Receivable Current Portion	—	4,799	—	(4,040)	—	—	—	759
Accrued Interest	—	(7,823)	(571)	648	—	—	—	(7,746)
Inventories	(22)	—	—	—	41	—	225	244
Prepaid Expenses	3	(278)	—	(6)	—	(2)	(60)	(343)
Vouchers Pay./Acc. Liab./Due to Other Funds	(4,821)	1,311	2,765	(292)	(39)	(36)	679	(433)
Deposits in Custody Current Portion	—	—	(2,399)	—	—	—	—	(2,399)
Deferred Revenue	3	642	—	(50)	—	—	—	595
Current Portion of Long-Term Obligations	—	(42,421)	(9,336)	(100)	—	—	(9)	(51,866)
Net Increase (Decrease) in Working Capital	$ (4,720)	$ 6,101	$ 27,496	$ (5,256)	$ 20	$ (438)	$ (412)	$ 22,791



Salt Lake City

Internal Service Funds

The Internal Service Funds are maintained to account for the operation of State agencies which provide goods or services to other State agencies and other governmental units on a cost reimbursement basis. The following provides a brief description of operations included in these funds.

Water Resources Loan Fund, a division of the Department of Natural Resources — This agency provides loans to local governments, water districts and other entities for the purpose of upgrading water storage facilities and other related structures. Capital for this fund has been provided from the general fund or from General Obligation Bonds that are repaid from general tax revenues and are not debt obligations of the Water Resources Fund.

Data Processing Fund — This fund is composed of several data processing agencies that function as data processing service bureaus for various State agencies. Services provided by the service bureaus can include programming and data entry as well as general data processing functions.

Employees Group Insurance — The group insurance fund offers several alternatives for health insurance to State and local government employees. These alternatives include plans funded and operated entirely by the State, as well as plans offered by private insurance carriers.

Community Impact Loan Fund, a division of the Department of Community and Economic Development — This fund provides loans to local governments to alleviate social, economic, and public financial impacts resulting from the development of the State's natural resources. Working capital for this fund is provided from federal mineral lease funds transferred from the general fund.

Central Services Fund, a division of the Department of Administrative Services — This division is responsible for administering a program of providing an office supply store, automobile rental services, statewide printing services, and mail services to State agencies.

Surplus Property, a division of the Department of Administrative Services — This division provides for orderly redistribution and sale of all State property that is declared to be in excess of the needs of State agencies. The division also administers the receipt and distribution of Federal surplus property.

Communications, a division of the Department of Administrative Services — This division is responsible for providing telephone services to most State agencies. Services include systems designing, implementing, and operation of a voice and data communications system.

Social Services/Internal Service — This service program covers rent, utility payments, taxes, personal services, and maintenance and janitorial services for eleven facilities managed by the Office of Community Operations, the service delivery arm of the Department of Social Services.

Prison Service Revolving Fund — This fund was originally created as an internal service fund designed to provide employment opportunities and training to prisoners at the Utah State Prison. In fiscal 1986, the State Legislature reclassified the fund to an enterprise fund. (See Enterprise Fund.)

Office of Education/Office of Superintendent — This agency is responsible for providing various support services to the Board of Education. These services include distribution of publications, mail services, and a central office supply room.

Natural Resources — This fund is responsible for the maintenance and operation of the departmental motor pool and central warehouse services. The departmental fund also owns and operates seven gas stations. The gas stations are located throughout the State at facilities managed by the Division of Wildlife Resources.

Administrative Services Risk Management, a division of the Department of Administrative Services — This agency provides insurance coverage and loss prevention to all state agencies and institutions of higher education, and to thirty-nine voluntarily participating school districts. Coverage is provided through the Utah State Risk Management Fund, using an optimal combination of self-insurance and private excess insurance.

Property Management — This agency has statutory responsibility for the operation and maintenance of the facilities used by most State agencies. This includes the day-to-day operations and maintenance of the facilities, as well as establishing a preventive maintenance and facilities inspection program.

Combining Balance Sheet
Internal Service Funds

June 30, 1987 (Expressed in Thousands)

	Water Resources Loan Fund	Data Processing Fund	Employees Group Insurance	Community Impact Loan Fund	Central Services Fund	Surplus Property
Assets						
Current Assets:						
Cash and Cash Equivalents	$ 11,220	$ 1,200	$ 14,429	$ 15,352	$ —	$ 392
Accounts Receivable	3,549	175	530	—	91	72
Notes Receivable	7,481	30	—	1,807	—	—
Accrued Interest	4,410	—	214	1,088	—	—
Due From Other Funds	244	4,930	—	24	984	17
Inventories	—	256	—	—	688	—
Prepaid Expenses	—	24	—	—	—	—
Total Current Assets	26,904	6,615	15,173	18,271	1,763	481
Other Assets:						
Other Investments	—	—	5,424	—	—	—
Long-Term Portion of Notes Receivable	120,331	—	—	65,480	—	—
Total Other Assets	120,331	0	5,424	65,480	0	0
Fixed Assets:						
Buildings and Improvements	—	—	—	—	—	257
Machinery and Equipment	—	23,273	540	—	9,807	164
Accumulated Depreciation	—	(13,826)	(333)	—	(3,057)	(218)
Construction-in-Progress	—	43	—	—	—	—
Total Fixed Assets	0	9,490	207	0	6,750	203
Total Assets	$ 147,235	$ 16,105	$ 20,804	$ 83,751	$8,513	$ 684
Liabilities and Fund Equity						
Liabilities:						
Current Liabilities:						
Vouchers Payable	$ 54	$ 1,063	$ 387	$ —	$ 540	$ 15
Accrued Liabilities	—	1,108	—	—	196	338
Due to Other Funds	136	4,278	—	—	3,011	296
Deferred Revenue	—	7	32	—	—	1
Policy Claim Liabilities Due Within One Year	—	—	12,564	—	—	—
Notes Payable Due Within One Year	—	3	—	—	—	17
Obligations Under Capital Leases Due Within One Year	—	—	—	—	—	—
Total Current Liabilities	190	6,459	12,983	0	3,747	667
Long-Term Liabilities:						
Advance From Other Funds	—	2,298	—	—	780	—
Policy Claim Liabilities Long-Term Portion	—	—	482	—	—	—
Notes Payable Due After One Year	—	—	—	—	—	55
Obligations Under Capital Leases Due After One Year	—	—	—	—	—	—
Total Long-Term Liabilities	0	2,298	482	0	780	55
Total Liabilities	190	8,757	13,465	0	4,527	722
Fund Equity:						
Contributed Working Capital	122,399	5,472	—	69,630	914	52
Retained Earnings	24,646	1,876	7,339	14,121	3,072	(90)
Total Fund Equity	147,045	7,348	7,339	83,751	3,986	(38)
Total Liabilities and Fund Equity	$ 147,235	$ 16,105	$ 20,804	$ 83,751	$8,513	$ 684

Communications	Social Services/Internal Services	Prison Svc Revolving Fund	Office of Education/ Superintendent	Natural Resources	Administrative Services/Risk Management	Property Management	Total June 30, 1987
$ 3,049	$ 560	$ —	$ —	$ 1,069	$ 1,820	$ 671	$ 49,762
31	12	—	13	—	172	59	4,704
—	—	—	—	—	—	—	9,318
—	—	—	—	—	—	—	5,712
1,177	309	—	191	492	48	227	8,643
—	27	—	32	122	—	33	1,158
—	4	—	16	—	123	—	167
4,257	912	0	252	1,683	2,163	990	79,464
—	—	—	—	—	—	—	5,424
—	—	—	—	—	—	—	185,811
0	0	0	0	0	0	0	191,235
—	4,066	—	—	—	—	—	4,323
3,163	362	—	135	5,814	—	184	43,442
(1,066)	(591)	—	(53)	(1,533)	—	(67)	(20,744)
—	—	—	—	—	—	—	43
2,097	3,837	0	82	4,281	0	117	27,064
$ 6,354	$ 4,749	$ 0	$ 334	$ 5,964	$ 2,163	$ 1,107	$ 297,763
$ 460	$ 447	$ —	$ 25	$ 114	$ 60	$ 359	$ 3,524
73	107	—	25	20	50	113	2,030
429	35	4,014	102	139	60	224	12,724
—	—	—	—	—	56	1	97
—	—	—	—	—	2,801	—	15,365
—	—	—	—	—	—	—	20
—	20	—	—	—	—	—	20
962	609	4,014	152	273	3,027	697	33,780
3,411	—	—	—	—	—	—	6,489
—	—	—	—	—	5,169	—	5,651
—	—	—	—	—	—	—	55
—	2,805	—	—	—	—	—	2,805
3,411	2,805	0	0	0	5,169	0	15,000
4,373	3,414	4,014	152	273	8,196	697	48,780
1,029	763	—	—	4,820	—	54	205,133
952	572	(4,014)	182	871	(6,033)	356	43,850
1,981	1,335	(4,014)	182	5,691	(6,033)	410	248,983
$ 6,354	$ 4,749	$ 0	$ 334	$ 5,964	$ 2,163	$ 1,107	$ 297,763

Combining Statement of Revenues, Expenses and Changes in Retained Earnings Internal Service Funds

For the Fiscal Year Ended June 30, 1987 (Expressed in Thousands)

	Water Resources Loan Fund	Data Processing Fund	Employees Group Insurance	Community Impact Load Fund	Central Services Fund	Surplus Property
Operating Revenues:						
Interest on Investments	$ 3,347	$ —	$ 1,511	$ 2,643	$ —	$ —
Charges for Services/Premiums	31	22,506	37,973	—	9,375	560
Total Operating Revenues	3,378	22,506	39,484	2,643	9,375	560
Operating Expenses:						
Personnel Services	—	8,958	894	—	1,620	359
Materials and Communication	—	640	15	—	4,572	7
Rentals and Leases	—	185	88	—	27	—
Maintenance	—	357	—	—	812	23
Interest	—	4	—	—	—	4
Depreciation	—	5,013	53	—	1,330	32
Benefit Claims	—	—	36,324	—	—	—
Miscellaneous Other:						
Data Processing	—	5,036	37	—	80	5
Postage and Mailing	—	1	85	—	—	2
Office Supplies	—	128	92	—	212	9
Utilities	—	269	—	—	—	15
Unclassified Other	1,949	1,646	252	66	595	240
Total Operating Expenses	1,949	22,237	37,840	66	9,248	696
Total Operating Income (Loss)	1,429	269	1,644	2,577	127	(136)
Non-Operating Income (Expenses):						
Gain (Loss) on Sale of Fixed Assets	—	11	9	—	(64)	—
Total Non-Operating Income (Expense)	0	11	9	0	(64)	0
Income (Loss) Before Operating Transfers	1,429	280	1,653	2,577	63	(136)
Operating Transfers In	—	4	—	—	—	—
Operating Transfers Out	(931)	—	—	(316)	—	—
Net Income (Loss) After Operating Transfer	498	284	1,653	2,261	63	(136)
Beginning Retained Earnings	24,148	1,729	5,686	11,860	3,009	46
Adjustment to Beginning Retained Earnings	—	(137)	—	—	—	—
Beginning Retained Earnings as Adjusted	24,148	1,592	5,686	11,860	3,009	46
Residual Equity Transfers	—	—	—	—	—	—
Ending Retained Earnings	$ 24,646	$ 1,876	$ 7,339	$ 14,121	$ 3,072	$ (90)

Communi-cations	Social Services/ Internal Service	Prison Svc Revolving Fund	Office of Education/ Super-intendent	Natural Resources	Administrative Services/Risk Management	Property Management	Total June 30, 1987
$ —	$ —	$ —	$ —	$ —	$ 125	$ —	$ 7,626
6,095	4,078	—	766	2,690	3,757	6,392	94,223
6,095	4,078	0	766	2,690	3,882	6,392	101,849
684	982	—	208	120	184	1,018	15,027
5,148	72	—	292	709	7	22	11,484
15	1,124	—	21	4	—	983	2,447
26	322	—	12	914	—	830	3,296
—	—	—	—	—	—	5	13
415	97	—	19	607	—	30	7,596
—	—	—	—	—	4,816	—	41,140
88	54	—	—	6	9	18	5,333
3	—	—	3	—	1	—	95
21	18	—	174	3	14	5	676
—	418	—	6	1	—	2,165	2,874
228	735	94	42	55	1,026	1,106	8,034
6,628	3,822	94	777	2,419	6,057	6,182	98,015
(533)	256	(94)	(11)	271	(2,175)	210	3,834
—	(23)	—	—	(58)	—	—	(125)
0	(23)	0	0	(58)	0	0	(125)
(533)	233	(94)	(11)	213	(2,175)	210	3,709
—	—	82	—	—	—	—	86
—	—	—	—	—	—	—	(1,247)
(533)	233	(12)	(11)	213	(2,175)	210	2,548
1,485	339	(4,232)	193	658	(3,858)	146	41,209
—	—	—	—	—	—	—	(137)
1,485	339	(4,232)	193	658	(3,858)	146	41,072
—	—	230	—	—	—	—	230
$ 952	$ 572	$ (4,014)	$ 182	$ 871	$ (6,033)	$ 356	$ 43,850

Combining Statement of Changes in Financial Position Internal Service Funds

For the Fiscal Year Ended June 30, 1987 (Expressed in Thousands)

	Water Resources Loan Fund	Data Processing Fund	Employees Group Insurance	Community Impact Loan Fund	Central Services Fund	Surplus Property
Sources of Working Capital:						
Operations:						
Net Income (Loss)	$ 498	$ 284	$ 1,653	$ 2,261	$ 63	$ (136)
Items Not Req. Working Capital:						
Depreciation	—	5,013	53	—	1,330	32
Loss (Gain) on Disposition of Property and Equipment	—	(11)	(9)	—	64	—
Total Sources from Operations	498	5,286	1,697	2,261	1,457	(104)
Increase in Advance from Other Funds	—	3,101	—	—	—	—
Increase in Policy Claim Liabilities	—	—	369	—	—	—
Increase in Contributed Working Capital (net of $245 accumulated depreciation transferred in from General Fixed Asset Account Group)	—	1,730	—	1,864	611	22
Decrease in Other Investments	6,000	—	82	—	—	—
Decrease in Mortgages/Notes Receivable	4,330	—	—	—	—	—
Proceeds on Disposal of Property and Equipment	—	306	25	—	359	—
Total Sources of Working Capital	10,828	10,423	2,173	4,125	2,427	(82)
Uses of Working Capital:						
Increase in Mortgages/Notes Receivable	—	—	—	7,803	—	—
Acquisition of Property and Equipment (net of $245 accumulated depreciation transferred in from General Fixed Asset Account Group)	—	4,754	132	—	2,389	6
Decrease in Advance from Other Funds	—	2,216	—	—	193	—
Decrease in Notes Payable	—	—	—	—	—	15
Payments on Long-Term Debt	—	—	—	—	16	—
Decrease in Contributed Working Capital	35,171	—	—	—	—	—
Total Uses of Working Capital	35,171	6,970	132	7,803	2,598	21
Net Increase (Decrease) in Working Capital	$ (24,343)	$ 3,453	$ 2,041	$ (3,678)	$ (171)	$ (103)
Elements of Net Increase (Decrease) in Working Capital:						
Cash and Cash Equivalents	$ (28,460)	$ 484	$ 1,431	$ (2,698)	$ (48)	$ 160
Accounts Receivable/Due From Other Funds	3,745	1,752	119	24	(208)	(41)
Notes Receivable Current Portion	98	30	—	(1,205)	—	—
Accrued Interest	111	—	18	(48)	—	—
Inventories	—	(48)	—	—	(237)	—
Prepaid Expenses	—	(139)	—	—	—	—
Vouchers Pay./Acc. Liab./Due to Other Funds	163	1,377	(105)	249	284	(222)
Policy Claim Liability	—	—	584	—	—	—
Deferred Revenue	—	—	(6)	—	—	—
Current Portion of Long-Term Obligations	—	(3)	—	—	38	—
Net Increase (Decrease) in Working Capital	$ (24,343)	$ 3,453	$ 2,041	$ (3,678)	$ (171)	$ (103)

Communications	Social Services/ Internal Service	Prison Revolving Fund	Office of Education/ Superintendent	Natural Resources	Administrative Services/Risk Management	Property Management	Total June 30, 1987
$ (533)	$ 233	$ (12)	$ (11)	$ 213	$ (2,175)	$ 210	$ 2,548
415	97	—	19	607	—	30	7,596
—	23	—	—	58	—	—	125
(118)	353	(12)	8	878	(2,175)	240	10,269
2,880	—	—	—	—	—	—	5,981
—	—	—	—	—	1,424	—	1,793
102	51	230	—	590	—	9	5,209
—	—	—	—	—	—	—	6,082
—	—	—	—	—	—	—	4,330
724	2	—	—	130	—	30	1,576
3,588	406	218	8	1,598	(751)	279	35,240
—	—	—	—	—	—	—	7,803
1,377	56	—	6	1,256	—	51	10,027
1,779	—	—	—	—	—	—	4,188
—	—	—	—	—	—	—	15
—	20	—	—	—	—	—	36
—	—	—	—	—	—	—	35,171
3,156	76	0	6	1,256	0	51	57,240
$ 432	$ 330	$ 218	$ 2	$ 342	$ (751)	$ 228	$ (22,000)
$ 44	$ 537	$ —	$ —	$ 519	$ 1,255	$ 671	$ (26,105)
(287)	(199)	—	58	(73)	28	(2,875)	2,043
—	—	—	—	—	—	—	(1,077)
—	—	—	—	—	—	—	81
—	—	—	3	(37)	—	21	(298)
—	2	—	(6)	—	123	—	(20)
675	(8)	218	(53)	(67)	64	2,412	4,987
—	—	—	—	—	(2,215)	—	(1,631)
—	—	—	—	—	(6)	(1)	(13)
—	(2)	—	—	—	—	—	33
$ 432	$ 330	$ 218	$ 2	$ 342	$ (751)	$ 228	$ (22,000)

Trust & Agency Funds

Trust and Agency Funds are fiduciary in nature and are maintained to account for assets held by the State acting in the capacity as trustee or agent.

Bear Lake

We the People

insure domestic Tranquility, pro
perfect Union, establish Justice,
and our Posterity, do ordain and
Bleſsings of Liberty to ourselves

Section. 1. All legislative Po
ll consist of a Senate and House
of Representatives.
Section. 2. The House of Rep
in each State shall have Qualificatio
of the several States, and the Electors
No Person shall be a Repres
and who shall not, when elected, be an
Years a Citizen of the United States,
Representatives and direct Ta
Numbers, which shall be determined
Union, according to their respective
not taxed, three fifths of all other Per
Term of Years, and excluding Indians
and within every subsequent Term o
ting of the Congreſs of the United States,
thirty Thousand, but each State sha
ntatives shall not exceed one for every
entitled to chuse three, Maſsachusett
State of New Hampshire shall be
eight, Delaware one, Maryland
one, New Jersey four, Pennsylvania
When vacancies happen i
The House of Representa
ection to fill such Vacancies.
Section. 3. The Senate of the
ment.
Senator shall have one Vote.
Immediately after they
thereof for six Years; and each
of the Senators of the first Claſs
may be into three Claſses. The Seats
Claſs at the Expiration of the sixth
the fourth Year, and of the third
Receſs of the Legislature of any St
gnation, or otherwise, during the
such Vacancies.
Legislature, which shall then fill
No Person shall be a Se
not, when elected, be an Inhabitan
the United States, and who shall
The Vice President of the U
The Senate shall chuse the
ided.
President of the United States.
hen he shall exercise the Office of

The Senate shall have the sole Power to try all Impeachments. When sitting for that Purpose, they shall be on Oath or Affirmation. When the President of the United States is tried, the Chief Justice shall preside: And no Person shall be convicted without the Concurrence of two thirds of the Members present.

Judgment in Cases of Impeachment shall not extend further than to removal from Office, and disqualification to hold and enjoy any Office of honor, Trust or Profit under the United States: but the Party convicted shall nevertheleſs be liable and subject to Indictment, Trial, Judgment and Punishment, according to Law.

Section. 4. The Times, Places and Manner of holding Elections for Senators and Representatives, shall be prescribed in each State by the Legislature thereof; but the Congreſs may at any time by Law make or alter such Regulations, except as to the Places of chusing Senators.

The Congreſs shall aſsemble at least once in every Year, and such Meeting shall be on the first Monday in December, unleſs they shall by Law appoint a different Day.

Section. 5. Each House shall be the Judge of the Elections, Returns and Qualifications of its own Members, and a Majority of each shall constitute a Quorum to do Buſineſs; but a smaller Number may adjourn from day to day, and ~~may be~~ authorized to compel the Attendance of absent Members, in such Manner, and under such Penalties as each House may provide.

Each House may determine the Rules of its Proceedings, punish its Members for disorderly Behaviour, and, with the Concurrence of two thirds, expel a Member.

Each House shall keep a Journal of its Proceedings, and from time to time publish the same, excepting such Parts as may in their Judgment require Secrecy; and the Yeas and Nays of the Members of either House on any question shall, at the Desire of one fifth of those Present, be entered on the Journal.

Neither House, during the Seſsion of Congreſs, shall, without the Consent of the other, adjourn for more than three days, nor to any other Place than that in which the two Houses shall be sitting.

Section. 6. The Senators and Representatives shall receive a Compensation for their Services, to be ascertained by Law, and paid out of the Treasury of the United States. They shall in all Cases, except Treason, Felony and Breach of the Peace, be privileged from Arrest during their Attendance at the Seſsion of their respective Houses, and in going to and returning from the same; and for any Speech or Debate in either House, they shall not be questioned in any other Place.

No Senator or Representative shall, during the Time for which he was elected, be appointed to any civil Office under the Authority of the United States, which shall have been created, or the Emoluments whereof shall have been encreased during such time; and no Person holding any Office under the United States, shall be a Member of either House during his Continuance in Office.

Section. 7. All Bills for raising Revenue shall originate in the House of Representatives; but the Senate may propose or concur with Amendments as on other Bills.

Every Bill which shall have paſsed the House of Representatives and the Senate, shall, before it become a Law, be presented to the President of the United States; If he approve he shall sign it, but if not he shall return it, with his Objections to that House in which it shall have originated, who shall enter the Objections at large on their Journal, and proceed to reconsider it. If after such Reconsideration two thirds of that House shall agree to paſs the Bill, it shall be sent, together with the Objections, to the other House, by which it shall likewise be reconsidered, and if approved by two thirds of that House, it shall become a Law. But in all such Cases the Votes of both Houses shall be determined by yeas and Nays, and the Names of the Persons voting for and against the Bill shall be entered on the Journal of each House respectively. If any Bill shall not be returned by the President within ten Days (Sundays excepted) after it shall have been presented to him, the Same shall be a Law, in like Manner as if he had signed it, unleſs the Congreſs by their Adjournment prevent its Return, in which Case it shall not be a Law.

Every Order, Resolution, or Vote to

Combining Balance Sheet
Trust and Agency Funds

June 30, 1987

(Expressed in Thousands)

	Pension Trust Funds	Non-Expendable Trust Fund			Total
	State Retirement Systems	Land Board	Expendable Trust Funds	Agency Funds	June 30, 1987
Assets					
Cash and Cash Equivalents	$ 315,079	$ 4,802	$ 161,871	$ 381,938	$ 863,690
Other Investments	2,207,743	12,259	9,349	107,802	2,337,153
Receivables:					
Accounts	41,049	1,493	5,317	31	47,890
Accrued Interest	—	—	640	7,048	7,688
Due From Other Funds	—	184	1,331	11,598	13,113
Land	—	4,344	—	—	4,344
Machinery and Equipment	6,459	—	—	—	6,459
Accumulated Depreciation	(1,723)	—	—	—	(1,723)
Total Assets	$ 2,568,607	$ 23,082	$ 178,508	$ 508,417	$ 3,278,614
Liabilities and Fund Balances					
Liabilities:					
Vouchers Payable	$ 45,988	$ —	$ 5,492	$ —	$ 51,480
Oblig. Under Reverse Repurch. Agree.	—	—	—	19,619	19,619
Deposits Held in Custody	—	—	127	—	127
Due to Other Funds	—	200	3,318	—	3,518
Due to Other Individuals or Groups	—	—	—	85,328	85,328
Due to Other Taxing Units	—	—	—	403,470	403,470
Deferred Revenue	—	—	226	—	226
Policy Claim Liabilities	—	—	70,880	—	70,880
Total Liabilities	45,988	200	80,043	508,417	634,648
Fund Balances:					
Reserved Fund Balances	—	22,882	160,998	—	183,880
Reserved for Employees' Retirement System	2,522,619	—	—	—	2,522,619
Unreserved Undesignated	—	—	(62,533)	—	(62,533)
Total Fund Balances	2,522,619	22,882	98,465	0	2,643,966
Total Liabilities and Fund Balances	$ 2,568,607	$ 23,082	$ 178,508	$ 508,417	$ 3,278,614

Combining Balance Sheet Pension Trust Funds

June 30, 1987 (Expressed in Thousands)

	Pension Funds			
	Contributory System	Non-Contributory System	Public Safety System	Firemen's System
Assets				
Cash and Cash Equivalents	$ 4	$ 2	$ 9	$ 2
Other Investments	—	—	—	—
Receivables:				
Accounts	5,274	3,934	1,157	381
Machinery and Equipment	—	—	—	—
Accumulated Depreciation	—	—	—	—
Equity in Investment Fund	1,544,677	605,791	224,823	103,858
Total Assets	1,549,955	609,727	225,989	104,241
Liabilities				
Vouchers Payable	200	—	—	—
Total Liabilities	200	0	0	0
Net Assets Available for Benefits	$ 1,549,755	$ 609,727	$ 225,989	$ 104,241
Fund Balances				
Actuarial Present Value of Projected Benefits for:				
Current Retirants and Beneficiaries	$ 544,465	$ 75,401	$ 111,779	$ 56,915
Terminated Vested Participants	38,897	—	9,983	1,170
Actuarial Present Value of Credited Projected Benefits for Active Employees:				
Member Contributions	553,856	227,635	54,864	20,843
Employer-Financed Portion	347,738	262,053	111,942	75,863
Total Actuarial Present Value of Credited Projected Benefits	1,484,956	565,089	288,568	154,791
Unreserved but Designated:				
Actuarial Experience Reserve	27,628	15,550	3,008	1,113
Retired Actuarial Experience Reserve	16,259	453	3,353	1,707
Retired Excess Earnings Reserve	40,566	—	7,597	7,376
Total Unreserved But Designated	84,453	16,003	13,958	10,196
Net Assets Available for Future Benefit Credits	37,782	28,635	—	—
Unfunded Actuarial Present Value of Credited Projected Benefits	(57,436)	—	(76,537)	(60,746)
Net Unfunded Actuarial Present Value of Credited Projected Benefits	(19,654)	28,635	(76,537)	(60,746)
Retirement Systems' Equity	—	—	—	—
Total Fund Balances	$ 1,549,755	$ 609,727	$ 225,989	$ 104,241

Pension Funds				
Judges' System	Deferred Compensation 401K Plan	Retirement Investment Fund	Eliminations	Total June 30, 1987
$ 1	$ 1,254	$ 313,844	$ (37)	$ 315,079
—	8,463	2,199,284	(4)	2,207,743
87	2	30,214	—	41,049
—	—	6,459	—	6,459
—	—	(1,723)	—	(1,723)
12,618	—	—	(2,491,767)	0
12,706	9,719	2,548,078	(2,491,808)	2,568,607
—	—	45,788	—	45,988
0	0	45,788	0	45,988
$ 12,706	$ 9,719	$ 2,502,290	$ (2,491,808)	$ 2,522,619
$ 5,600	$ —	$ —	$ —	$ 794,160
68	—	—	—	50,118
3,043	9,642	—	—	869,883
7,234	—	—	—	804,830
15,945	9,642	0	0	2,518,991
182	77	—	—	47,558
168	—	—	—	21,940
675	—	—	—	56,214
1,025	77	0	0	125,712
—	—	—	—	66,417
(4,264)	—	—	—	(198,983)
(4,264)	0	0	0	(132,566)
—	—	2,502,290	(2,491,808)	10,482
$ 12,706	$ 9,719	$ 2,502,290	$ (2,491,808)	$ 2,522,619

Combining Statement of Revenues, Expenses and Changes in Fund Balances - Pension Trust Funds

For the Fiscal Year Ended June 30, 1987 (Expressed in Thousands)

	Pension Funds			
	Contributory System	Non-Contributory System	Public Safety System	Firemen's System
Operating Revenues:				
Interest on Investments	$ 147,736	$ 44,749	$ 19,428	$ 9,007
Member Contributions	121,333	17,831	19,362	6,560
Miscellaneous	—	—	—	1,707
Total Operating Revenues	269,069	62,580	38,790	17,274
Operating Expenses:				
Administrative	—	—	—	—
Depreciation	—	—	—	—
Benefit Claims	57,172	2,581	9,177	5,395
Contribution Refunds	20,654	192	1,449	113
Supplies and Other Miscellaneous	—	—	—	—
Total Operating Expenses	77,826	2,773	10,626	5,508
Income Before Operating Transfers	191,243	59,807	28,164	11,766
Operating Transfers In (Note N)	—	549,920	—	—
Operating Transfers Out (Note N)	(556,653)	—	(201)	(69)
Net Income (Loss)	(365,410)	609,727	27,963	11,697
Beginning Fund Balances	1,915,165	—	198,026	92,544
Adjustment to Beginning Fund Balances (Note C)	—	—	—	—
Adjusted Beginning Fund Balance	1,915,165	0	198,026	92,544
Ending Fund Balances	$ 1,549,755	$ 609,727	$ 225,989	$ 104,241

Pension Funds				
Judges' System	Deferred Compensation 401K Plan	Retirement Investment Fund	Eliminations	Total Pension Funds
$ 1,097	$ 437	$ 238,603	$ (225,740)	$ 235,317
394	8,361	—	—	173,841
557	—	—	—	2,264
2,048	8,798	238,603	(225,740)	411,422
—	7	2,068	—	2,075
—	—	313	—	313
520	—	—	—	74,845
69	317	—	—	22,794
—	—	6,925	(6,925)	0
589	324	9,306	(6,925)	100,027
1,459	8,474	229,297	(218,815)	311,395
—	—	67,563	(617,483)	0
(17)	—	—	549,920	(7,020)
1,442	8,474	296,860	(286,378)	304,375
11,264	—	2,205,430	(2,205,430)	2.216,999
—	1,245	—	—	1,245
11,264	1,245	2,205,430	(2,205,430)	2,218,244
$ 12,706	$ 9,719	$ 2,502,290	$ (2,491,808)	$ 2,522,619

Combining Statement of Changes in Financial Position - Pension Trust Funds

For the Fiscal Year Ended June 30, 1987 (Expressed in Thousands)

	Pension Funds			
	Contributory System	Non-Contributory System	Public Safety System	Firemen's System
Sources of Working Capital:				
Operations:				
Net Income (Loss)	$ (365,410)	$ 609,727	$ 27,963	$ 11,697
Items Not Requiring Working Capital:				
Depreciation	—	—	—	—
Total Sources from Operations	(365,410)	609,727	27,963	11,697
Decrease in Other Investments	360,571	—	—	—
Total Sources of Working Capital	(4,839)	609,727	27,963	11,697
Uses of Working Capital:				
Increase in Other Investments	—	605,791	27,897	11,813
Acquisition of Property and Equipment	—	—	—	—
Total Uses of Working Capital	0	605,791	27,897	11,813
Net Increase (Decrease) in Working Capital	$ (4,839)	$ 3,936	$ 66	$ (116)
Elements of Net Increase (Decrease) in Working Capital:				
Cash and Cash Equivalents	$ —	$ 2	$ —	$ —
Accounts Receivable/Due From Other Funds	(4,806)	3,934	66	(116)
Vouchers Pay./Acc. Liab./Due to Other Funds	(33)	—	—	—
Net Increase (Decrease) in Working Capital	$ (4,839)	$ 3,936	$ 66	$ (116)

Pension Funds				
Judges' System	Deferred Compensation 401K Plan	Retirement Investment Fund	Eliminations	Total Pension Funds
$ 1,442	$ 8,474	$ 296,860	$ (286,378)	$ 304,375
—	—	313	—	313
1,442	8,474	297,173	(286,378)	304,688
—	—	—	—	360,571
1,442	8,474	297,173	(286,378)	665,259
1,407	8,463	322,218	(286,378)	691,211
—	—	884	—	884
1,407	8,463	323,102	(286,378)	692,095
$ 35	$ 11	$ (25,929)	$ 0	$ (26,836)
$ —	$ 9	$ 1,134	$ —	$ 1,145
35	2	(1,786)	—	(2,671)
—	—	(25,277)	—	(25,310)
$ 35	$ 11	$ (25,929)	$ 0	$ (26,836)

Combining Balance Sheet
Expendable Trust Funds

June 30, 1987 (Expressed in Thousands)

	Unemployment Compensation Trust	Second Injury	Indian Affairs	Restricted	Total June 30, 1987
Assets					
Cash and Cash Equivalents	$ 146,901	$ 8,876	$ 689	$ 5,405	$ 161,871
Other Investments	—	—	7,044	2,305	9,349
Receivables:					
Accounts	3,671	—	1,639	7	5,317
Accrued Interest	—	—	173	467	640
Due From Other Funds	—	—	—	1,331	1,331
Total Assets	$ 150,572	$ 8,876	$ 9,545	$ 9,515	$ 178,508
Liabilities and Fund Balances					
Liabilities:					
Vouchers Payable	$ 4,913	$ 527	$ 11	$ 41	$ 5,492
Deposits Held in Custody	127	—	—	—	127
Due to Other Funds	703	2	—	2,613	3,318
Deferred Revenue	—	—	226	—	226
Policy Claim Liabilities	—	70,880	—	—	70,880
Total Liabilities	5,743	71,409	237	2,654	80,043
Fund Balances:					
Reserved	144,829	—	9,308	6,861	160,998
Unreserved Undesignated	—	(62,533)	—	—	(62,533)
Total Fund Balances	144,829	(62,533)	9,308	6,861	98,465
Total Liabilities and Fund Balances	$ 150,572	$ 8,876	$ 9,545	$ 9,515	$ 178,508

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Expendable Trust Funds

For the Fiscal Year Ended June 30, 1987 (Expressed in Thousands)

	Unemployment Compensation Trust	Second Injury	Indian Affairs	Restricted	Total June 30, 1987
Revenues:					
Federal Contracts and Grants	$ 5,604	$ —	$ —	$ —	$ 5,604
Interest on Investments	14,355	719	745	3,713	19,532
Premiums & Other Collections	90,096	3,421	—	—	93,517
Miscellaneous	2,748	1	1,424	4,280	8,453
Total Revenues	112,803	4,141	2,169	7,993	127,106
Expenditures:					
General Government	—	—	—	2,094	2,094
Social Services/Claims	—	22,596	—	—	22,596
Community and Economic Development	—	—	3,090	—	3,090
Unemployment Claims	118,416	—	—	—	118,416
Public Education	—	—	—	515	515
Total Expenditures	118,416	22,596	3,090	2,609	146,711
Excess of Revenues Over (Under) Expenditures	(5,613)	(18,455)	(921)	5,384	(19,605)
Other Financing Sources (Uses):					
Operating Transfer In	—	—	—	682	682
Operating Transfer Out	(648)	(77)	(49)	(1,297)	(2,071)
Excess Revenues Over (Under) Expenditures and Other Uses	(6,261)	(18,532)	(970)	4,769	(20,994)
Beginning Fund Balances	151,090	(44,001)	10,278	2,092	119,459
Ending Fund Balances	$ 144,829	$ (62,533)	$ 9,308	$ 6,861	$ 98,465

Combining Statement of Changes in Assets and Liabilities - All Agency Funds

For the Fiscal Year Ended June 30, 1987 (Expressed in Thousands)

	Balance June 30, 1986	Additions	Deductions	Balance June 30, 1987
STATE TREASURER'S INVESTMENT POOLS				
ASSETS				
Cash & Cash Equivalents	$ 321,803	$ 1,154,503	$ 1,144,126	$ 332,180
Other Investments	10,000	45,659	—	55,659
Receivables:				
Accrued Interest	4,681	6,934	4,681	6,934
Due From Other Funds	424	31,460	31,793	91
Total Assets	$ 336,908	$ 1,238,556	$ 1,180,600	$ 394,864
LIABILITIES				
Due to Other Individuals/Groups	$ 210	$ 537	$ 509	$ 238
Due to Other Taxing Units	336,698	85,504	47,195	375,007
Obligations Under Reverse Repurchase Agreements	—	19,619	—	19,619
Total Liabilities	$ 336,908	$ 105,660	$ 47,704	$ 394,864
SOCIAL SECURITY AGENCY FUND (FOR OTHER GOVERNMENTS)				
ASSETS				
Cash & Cash Equivalents	$ 5,382	$ 117,117	$ 122,362	$ 137
Due From Other Funds	—	9,943	9,943	0
Total Assets	$ 5,382	$ 127,060	$ 132,305	$ 137
LIABILITIES				
Due to Other Taxing Units	$ 5,382	$ 2,347	$ 7,592	$ 137
Total Liabilities	$ 5,382	$ 2,347	$ 7,592	$ 137
SALARY DEFERRAL 457 PLAN FUND (A)				
ASSETS				
Cash & Cash Equivalents	$ 8,519	$ 40,346	$ 25,890	$ 22,975
Other Investments	52,204	22,228	22,289	52,143
Receivables:				
Accrued Interest	592	1,182	1,660	114
Total Assets	$ 61,315	$ 63,756	$ 49,839	$ 75,232
LIABILITIES				
Due to Other Individuals/Groups	$ 61,315	$ 19,028	$ 5,111	$ 75,232
Total Liabilities	$ 61,315	$ 19,028	$ 5,111	$ 75,232
COUNTY AND LOCAL COLLECTIONS FUND				
ASSETS				
Cash & Cash Equivalents	$ 16,899	$ 230,602	$ 230,584	$ 16,917
Due From Other Funds	9,406	17,366	16,434	10,338
Total Assets	$ 26,305	$ 247,968	$ 247,018	$ 27,255
LIABILITIES				
Due to Other Individuals/Groups	$ 626	$ 1,271	$ 1,362	$ 535
Due to Other Taxing Units	25,679	180,396	179,355	26,720
Total Liabilities	$ 26,305	$ 181,667	$ 180,717	$ 27,255

Combining Statement of Changes in Assets and Liabilities - All Agency Funds

continued

For the Fiscal Year Ended June 30, 1987

(Expressed in Thousands)

CONTRACTOR'S RETENTION FUND

	Balance June 30, 1986	Additions	Deductions	Balance June 30, 1987
ASSETS				
Cash & Cash Equivalents	$ 1,320	$ 3,502	$ 2,305	$ 2,517
Due From Other Funds	401	1,217	1,168	450
Total Assets	$ 1,721	$ 4,719	$ 3,473	$ 2,967
LIABILITIES				
Due to Other Individuals/Groups	$ 1,721	$ 1,315	$ 69	$ 2,967
Total Liabilities	$ 1,721	$ 1,315	$ 69	$ 2,967

DEPOSITS, SUSPENSE, AND MISCELLANEOUS FUND

	Balance June 30, 1986	Additions	Deductions	Balance June 30, 1987
ASSETS				
Cash & Cash Equivalents	$ 6,059	$ 122,526	$ 121,373	$ 7,212
Receivables:				
Accounts	31	—	—	31
Due From Other Funds	236	1,570	1,087	719
Total Assets	$ 6,326	$ 124,096	$ 122,460	$ 7,962
LIABILITIES				
Due to Other Individuals/Groups	$ 5,237	$ 11,872	$ 10,753	$ 6,356
Due to Other Taxing Units	1,089	63,829	63,312	1,606
Total Liabilities	$ 6,326	$ 75,701	$ 74,065	$ 7,962

TOTAL ASSETS AND LIABILITIES - ALL AGENCY FUNDS

	Balance June 30, 1986	Additions	Deductions	Balance June 30, 1987
ASSETS				
Cash & Cash Equivalents	$ 359,982	$ 1,668,596	$ 1,646,640	$ 381,938
Other Investments	62,204	67,887	22,289	107,802
Receivables:				
Accounts	31	—	—	31
Accrued Interest	5,273	8,116	6,341	7,048
Due From Other Funds	10,467	61,556	60,425	11,598
Total Assets	$ 437,957	$ 1,806,155	$ 1,735,695	$ 508,417
LIABILITIES				
Due to Other Individuals/Groups	$ 69,109	$ 34,023	$ 17,804	$ 85,328
Due to Other Taxing Units	368,848	332,076	297,454	403,470
Obligations Under Reverse Repurchase Agreements	—	19,619	—	19,619
Total Liabilities	$ 437,957	$ 385,718	$ 315,258	$ 508,417

(A) Assets and Liabilities reported previously in the "State Employee Agency Fund" are now reported in the "Salary Deferral 457 Plan Fund" and the "Deposits, Suspense, and Miscellaneous Fund"

General Fixed Assets Account Group

Bridgerland, Logan Canyon

General Fixed Assets by Function and Activity

For the Fiscal Year Ended June 30, 1987 **(Expressed in Thousands)**

Function and Activity	Land	Buildings and Improvements	Equipment	Total General Fixed Assets
General Government:				
Control:				
Legislative	$ —	$ —	$ 1,012	$ 1,012
Executive	—	—	1,284	1,284
Judicial	996	3,831	3,702	8,529
Total Control	996	3,831	5,998	10,825
Government Operations:				
Administrative Services (A)	6,199	63,548	1,821	71,568
Tax Commission	—	—	4,245	4,245
Employment Security	936	5,782	—	6,718
Personnel Review Board	—	—	7	7
Total Government Operations	7,135	69,330	6,073	82,538
Total General Government	8,131	73,161	12,071	93,363
Business, Labor and Agriculture:				
Agriculture	173	4,412	1,181	5,766
Business Regulation	—	—	1,094	1,094
Financial Institutions	—	—	59	59
Industrial Commission	—	—	505	505
Insurance Department	—	—	323	323
Public Service Commission	—	—	115	115
Total Business, Labor and Agriculture	173	4,412	3,277	7,862
Natural Resources	41,544	42,621	8,165	92,330
Higher Education	—	—	344	344
Public Education	3,767	28,396	11,453	43,616
Social Services	1,608	42,126	10,323	54,057
Corrections	580	43,844	3,041	47,465
Health	60	3,597	7,957	11,614
Public Safety	3,480	19,413	9,392	32,285
Transportation	13,246	41,428	61,940	116,614
Community & Economic Development	85	7,970	5,515	13,570
Total General Fixed Assets Allocated to Functions	$ 72,674	$ 306,968	$ 133,478	513,120
Construction-In-Progress				55,427
Total General Fixed Assets				$ 568,547

(A) Administrative Services' assets include the general buildings and land of the State.

Changes in General Fixed Assets by Function and Activity

For the Fiscal Year Ended June 30, 1987 (Expressed in Thousands)

Function and Activity	General Fixed Assets June 30, 1986	Additions	Retirements	General Fixed Assets June 30, 1987
General Government:				
Control:				
Legislative	$ 1,003	$ 34	$ 25	$ 1,012
Executive	1,092	267	75	1,284
Judicial	7,584	1,060	115	8,529
Total Control	9,679	1,361	215	10,825
Government Operation:				
Administrative Services (A)	64,899	12,523	5,854	71,568
Tax Commission	4,911	633	1,299	4,245
Executive Reorganization	12	—	12	0
Employment Security	4,371	2,511	164	6,718
Personnel Review Board	7	—	—	7
Total Government Operations	74,200	15,667	7,329	82,538
Total General Government	83,879	17,028	7,544	93,363
Business, Labor and Agriculture:				
Agriculture	5,696	162	92	5,766
Business Regulations	948	161	15	1,094
Financial Institutions	52	7	—	59
Industrial Commission	508	52	55	505
Insurance Department	383	25	85	323
Public Service Commission	121	8	14	115
Total Business, Labor and Agriculture	7,708	415	261	7,862
Natural Resources	67,817	25,602	1,089	92,330
Higher Education	335	9	—	344
Public Education	40,197	4,039	620	43,616
Social Services	52,213	4,647	2,803	54,057
Corrections	59,844	4,985	17,364	47,465
Health	11,310	342	38	11,614
Public Safety	26,097	9,570	3,382	32,285
Transportation	111,957	9,432	4,775	116,614
Community & Economic Development	11,109	2,461	—	13,570
Total General Fixed Assets Allocated to Functions	472,466	78,530	37,876	513,120
Construction-In-Progress (B)	43,712	38,266	26,551	55,427
Total General Fixed Assets	$ 516,178	$ 116,796	$ 64,427	$ 568,547

(A) Administrative Services' assets include the general buildings and land of the State.

(B) Retirements of Construction-in-Progress are transferred as additions to Land and Buildings.

Monument Valley

College and University Funds

The College and University Funds are maintained to account for the operations of public institutions of higher education. These institutions maintain their own financial records which are not a part of the central accounting system of the State. The two universities and seven colleges that make up the institutions of higher education are:

- University of Utah
- Utah State University
- Weber State College
- Southern Utah State College
- Snow College
- Dixie College
- College of Eastern Utah
- Salt Lake Community College
- Utah Valley Community College

Combining Balance Sheet
All College and University Funds

June 30, 1987 (Expressed in Thousands)

	Current Funds				
	Unrestricted	Restricted	Loan Funds	Endowment and Similar Funds	Agency Funds
Assets					
Cash and Cash Equivalents	$ 68,690	$ 31,823	$ 1,931	$ 34,837	$ 2,186
Other Investments	21,829	11,789	214	18,520	566
Receivables:					
Accounts	39,524	16,194	44	72	55
Notes	1,678	112	33,827	159	—
Accrued Interest	2,170	1,020	131	3	—
Due From Other Funds	6,928	—	—	5,278	—
Inventories	11,652	10	—	—	16
Prepaid Expenses	5,132	1,696	—	845	30
Land	—	—	—	—	—
Buildings and Improvements	—	—	—	—	—
Machinery and Equipment	—	—	—	—	558
Construction-in-Progress	—	—	—	—	—
Deferred Compensation Plan Assets	—	—	—	—	4,895
Total Assets	$ 157,603	$ 62,644	$ 36,147	$ 59,714	$ 8,306
Liabilities and Fund Balances					
Liabilities:					
Vouchers Payable	$ 23,384	$ 5,168	$ 1	$ —	$ 222
Contracts Payable	—	—	—	—	9
Accrued Liabilities	38,969	2,691	—	23	483
Deposits Held in Custody	142	—	—	—	2,556
Due to Other Funds	4,074	2,680	—	1	—
Deferred Revenue	7,592	884	—	10	141
Notes Payable	102	—	—	—	—
Revenue Bonds Payable	—	—	—	—	—
Deferred Compensation Plan Liability	—	—	—	—	4,895
Total Liabilities	74,263	11,423	1	34	8,306
Fund Balances:					
Investment in Fixed Assets	—	—	—	—	—
Reserved for:					
Encumbrances	7,915	14,824	—	—	—
Restricted Fund Balances	—	35,982	32,475	—	—
Endowment and Similar Funds	—	—	—	31,528	—
Unreserved:					
Designated - Other	76,011	415	3,671	28,152	—
Undesignated	(586)	—	—	—	—
Total Fund Balances	83,340	51,221	36,146	59,680	0
Total Liabilities and Fund Balances	$ 157,603	$ 62,644	$ 36,147	$ 59,714	$ 8,306

Plant Funds				
Unexpended	Renewal and Replacements	Retirement of Indebtedness	Investment in Plant	Total June 30, 1987
$ 34,912	$ 10,688	$ 9,990	$ —	$ 195,057
16,039	3,970	5,272	—	78,199
9,756	181	136	—	65,962
210	—	—	—	35,986
53	25	61	—	3,463
6	—	4,793	—	17,005
—	—	—	—	11,678
719	783	860	—	10,065
—	—	—	18,250	18,250
—	—	—	619,990	619,990
—	—	—	318,565	319,123
2,832	—	—	20,078	22,910
—	—	—	—	4,895
$ 64,527	$ 15,647	$ 21,112	$ 976,883	$ 1,402,583
$ 1,735	$ 28	$ 951	$ —	$ 31,489
—	—	—	2,592	2,601
156	—	4,442	97	46,861
4	—	—	—	2,702
4,099	4,435	8	1,261	16,558
165	—	6	—	8,798
—	—	—	18,435	18,537
19,212	—	1,307	44,965	65,484
—	—	—	—	4,895
25,371	4,463	6,714	67,350	197,925
—	—	—	909,533	909,533
589	2,147	1,009	—	26,484
28,855	10,671	9,613	—	117,596
—	—	—	—	31,528
9,636	—	3,763	—	121,648
76	(1,634)	13	—	(2,131)
39,156	11,184	14,398	909,533	1,204,658
$ 64,527	$ 15,647	$ 21,112	$ 976,883	$ 1,402,583

Statistical Section

The Statistical Section gives report users a better historical perspective of financial information that may assist in assessing current financial status and trends of the State. In addition, certain demographic and economic data have been presented that will allow a broader understanding of the economic and social environment in which State government operates.

Balloon Festival at Lagoon Amusement Park
Photograph Courtesy of: Salt Lake Valley Convention and Visitors Bureau

General Governmental Expenditures by Function(A)

For the Last Ten Fiscal Years **(Expressed in Thousands)**

Function	Unaudited 1978(B)	Unaudited 1979(B)	1980(B)	1981(B)	1982	1983	1984	1985	1986	1987
	Fiscal Year Ended June 30									
General Government	$ 79,634	$ 80,532	$ 82,394	$ 83,760	$ 95,421	$ 120,833	$ 128,852	$ 118,186	$ 134,201	$ 140,006
Business, Labor and Agriculture	9,980	11,223	13,022	14,481	15,130	18,721	20,729	21,858	22,777	22,470
Community and Economic Development	14,708	14,984	18,088	18,573	22,280	24,605	48,615	67,695	57,268	58,571
Higher Education	123,373	138,690	149,556	167,431	184,566	206,290	205,319	239,249	254,139	251,218
Natural Resources	34,663	27,098	37,808	40,409	39,732	38,270	47,293	50,585	58,669	54,855
Social Services, Corrections, and Health	226,648	264,860	276,837	337,239	354,070	420,216	457,911	495,188	563,546	606,107
Public Education	322,037	357,795	404,060	453,956	498,562	569,926	575,231	647,128	734,862	743,529
Transportation and Public Safety	152,912	186,004	247,952	237,313	215,169	225,686	324,688	410,168	386,868	343,809
Capital Outlay	42,437	73,884	78,426	74,052	49,826	71,068	58,550	67,717	82,783	125,138
Debt Service	9,278	11,975	18,009	8,116	18,128	20,641	82,112	94,024	74,203	91,004
Total Expenditures All Governmental Fund Types	$ 1,015,670	$ 1,167,045	$ 1,326,152	$ 1,435,330	$ 1,492,884	$ 1,716,256	$ 1,949,300	$ 2,211,798	$ 2,369,316	$ 2,436,707

(A) Note: This summary includes expenditures of the State's governmental fund types which include the General Fund, Special Revenue Funds (Uniform School Fund and Transportation Fund), Capital Projects Fund, and Debt Service Fund. General Fund appropriations to the colleges and universities reported as transfers in the financial statements have been included here as Higher Education expenditures.

(B) Note: The information for fiscal years 1978 through 1981 was taken from financial reports and budget documents that were not prepared in accordance with GAAP and may not be strictly comparable with later years.

General Revenues by Source(A)

For the Last Ten Fiscal Years (Expressed in Thousands)

	Unaudited 1978(C)	Unaudited 1979(C)	1980(C)	1981(C)	1982	1983	1984	1985	1986	1987
	Fiscal Year Ended June 30									
Unrestricted:										
Sales Taxes	$ 257,988	$ 291,287	$ 321,089	$ 347,380	$ 385,033	$ 388,687	$ 488,455	$ 539,621	$ 542,751	$ 559,116
Individual Income Tax	188,054	226,784	265,328	294,817	330,840	346,610	389,959	434,873	453,537	533,190
Corporation Franchise Tax	29,448	32,874	40,377	40,665	40,894	34,882	53,227	65,918	84,048	69,409
Motor & Special Fuel Tax	56,199	71,223	70,921	66,675	80,406	81,289	83,428	107,128	111,533	120,612
Licenses, Permits & Fees	21,561	23,297	26,957	30,810	34,695	42,638	44,522	46,723	48,605	51,215
Liquor Control Profits(B)	12,492	12,992	15,054	17,604	19,163(B)	19,005(B)	19,475(B)	18,867(B)	19,008(B)	17,177(B)
Local School Districts	13,656	14,380	14,045	6,999	—	1,740	—	—	—	—
Interest on Investments	19,781	28,626	35,736	32,024	40,077	37,930	42,048	39,879	22,154	11,777
Misc. Tax & Other	37,853	36,282	(5,876)	48,809	62,976	65,361	98,811	114,233	115,590	94,991
Total Unrestricted	637,032	737,745	783,631	885,783	994,084	1,018,142	1,219,925	1,367,242	1,397,226	1,457,487
Restricted:										
Restricted Sales Tax	—	—	—	—	—	—	36,686	15,486	15,626	—
Federal Contracts & Grants	282,223	288,128	375,652	414,944	420,475	467,603	556,065	633,059	715,689	694,327
Departmental Collections	28,600	39,500	29,563	58,395	42,518	53,407	57,269	65,499	69,236	78,340
Public Education Dedicated Credits	2,789	1,090	252	95	225	77	82	59	—	8
Aeronautics	2,224	3,200	4,205	6,347	2,619	3,821	8,818	13,648	13,381	11,090
Federal Mineral Lease	9,639	12,552	14,933	18,153	75,423	36,163	37,468	34,190	32,579	22,384
Intergovernmental	13,407	7,120	20,765	26,709	13,361	20,402	18,518	11,340	19,432	18,408
Interest on Investments	—	—	—	—	2,477	818	3,813	2,045	10,879	16,694
Miscellaneous	16,568	26,478	45,693	22,906	17,232	20,592	15,697	20,883	15,684	23,608
Total Restricted	355,455	378,068	491,063	547,549	574,330	602,883	734,416	796,209	892,508	862,861
Total Revenues	$ 992,487	$ 1,115,813	$ 1,274,694	$ 1,433,332	$ 1,568,414	$ 1,621,025	$ 1,954,341	$ 2,163,451	$ 2,289,734	$ 2,320,348

(A) Note: This summary includes revenues of the State governmental fund types which include the General Fund, Special Revenue Funds (Uniform School Fund and Transportation Fund), Capital Projects Fund, and Debt Service Fund.

(B) Note: In the fiscal year June 30, 1982 through 1987 Financial Reports, Liquor Control Profits were reported as a transfer to the General Fund rather than as a free revenue source.

(C) Note: The information for fiscal years 1978 through 1981 was taken from financial reports and budget documents that were not prepared in accordance with GAAP and may not be strictly comparable with later years.

General Obligation Bonds Ratio of Net General Bonded Debt to Reasonable Fair Cash Value and Net Bonded Debt Per Capita

GENERAL OBLIGATION BONDS

Article XIV, Section 1, of the Utah Constitution limits the State to a total general obligation debt not to exceed 1.5% of the value of the taxable property of the State. Using the latest valuation made in 1987, the debt limit of the State at June 30, 1987 was $755,565,000. During the fiscal year ended June 30, 1987, the State issued $91,230,000 of various purpose bonds. This issue brought the State's total general obligation debt outstanding at June 30, 1987 to $255,155,000. Therefore, under the law, the State has $500,410,000 of additional borrowing capacity.

	MATURITY DATES	ORIGINAL ISSUES	OUTSTANDING JUNE 30, 1987
1975 Building Bonds	1981-1988	$ 70,000,000	$ 17,500,000
1978 Building Bonds	1982-1989	$ 25,115,000	14,000,000
1978 Water Bonds	1981-1989	$ 25,000,000	14,100,000
1980 Water Bonds	1981-1989	$ 11,000,000	4,500,000
1982 Water Bonds	1982-1989	$ 14,000,000	10,000,000
1984 Refund Bonds	1987-1990	$ 29,490,000	22,690,000
1985B Refund Issue	1987-1991	$ 81,135,000	81,135,000
1986 Various Purpose Issue	1988-1993	$ 91,230,000	91,230,000
Total General Obligation Bonds			$255,155,000

RATIO OF NET GENERAL BONDED DEBT TO REASONABLE FAIR CASH VALUE AND NET BONDED DEBT PER CAPITA

For The Last Ten Fiscal Years

(Expressed in Thousands)

FISCAL YEAR	POPULATION	REASONABLE FAIR CASH VALUE(B)	GROSS BONDED DEBT	DEBT SERVICE MONIES AVAILABLE	DEBT PAYABLE FROM ENTERPRISE REVENUES	DEBT PAYABLE FROM COLLEGE & UNIVERSITY REVENUES	NET BONDED DEBT(A)	RATIO OF NET BONDED DEBT TO REASONABLE FAIR CASH VALUE	NET BONDED DEBT PER CAPITA
1978	1,364,000	$ 11,456,666	$ 286,235	$ (201)	$ 148,295	$ 57,940	$ 80,201	.70%	$ 59
1979	1,416,000	20,964,000	434,070	3,225	251,614	57,341	121,890	.58%	86
1980	1,472,000	22,408,000	577,960	1,834	407,272	57,198	111,656	.50%	76
1981	1,515,000	30,055,000	628,060	11,837	408,949	65,621	141,653	.47%	94
1982	1,558,000	33,135,000	761,551	8,607	539,261	63,965	149,718	.45%	96
1983	1,595,000	40,703,333	955,881	6,317	585,782	64,149	299,633	.74%	188
1984	1,623,000	46,531,667	1,045,037	48,489	644,230	62,627	289,691	.62%	178
1985	1,645,000	51,666,667	1,211,854	48,829	852,701	50,108	260,216	.50%	158
1986	1,665,000	51,659,623	1,188,306	23,837	839,521	67,885	257,063	.50%	154
1987 est.	1,687,400	50,370,963	1,240,545	4,661	893,806	65,484	276,594	.55%	164

(A) Note: Includes general obligation bonds plus revenue bonds whose repayment is funded through governmental type fund operations or appropriations.

(B) Note: Beginning in 1986, Utah State Tax Commission determined assessed property values on a reasonable fair cash basis. Years 1978 through 1985 have been restated to reflect the change from assessed value to reasonable fair cash basis.

Calculation of Legal Debt Limits
General Obligation Bonded Debt Per Capita
Ratio of Bonded Debt to Reasonable Fair Cash Value

For the Last Ten Fiscal Years

CALCULATION OF LEGAL DEBT LIMITS

(Expressed in Millions)

	FISCAL YEAR ENDED JUNE 30									
	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
State Assessed Property Value (A)	$ 3,437	$ 5,241	$ 5,602	$ 6,011	$ 6,627	$ 7,227	$ 8,242	$ 9,200	N/A	N/A
Legislated Percent (B)	30%	25%	25%	20%	20%	(C)	(D)	(E)	N/A	N/A
Reasonable Fair Cash Value (Assessed Value Divided by %)	11,457	20,964	22,408	30,055	33,135	40,703	46,532	51,667	51,660(A)	50,371(A)
Debt Limit (Reasonable Fair Cash Value Times 1.5%)	172	314	336	451	497	611	698	775	775	756
General Obligation Bonded Debt	(80)	(125)	(113)	(125)	(129)	(237)	(272)	(230)	(218)	(255)
Additional General Obligation Debt Incurring Capacity	$ 92	$ 189	$ 223	$ 326	$ 368	$ 374	$ 426	$ 545	$ 557	$ 501

(A) Source: Utah State Tax Commission
(B) Source: Section 59-5-1 and 59-2-103 *Utah Code Annotated, 1953*, as amended
(C) $2,741,000 valued at 15% and $4,486,000 valued at 20%
(D) $3,193,000 valued at 15% and $5,049,000 valued at 20%
(E) $3,400,000 valued at 15% and $5,800,000 valued at 20%

GENERAL OBLIGATION BONDED DEBT PER CAPITA

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
Net General Obligation Bonded Debt Per Capita	$ 58.65	$ 88.35	$ 77.10	$ 82.17	$ 83.01	$ 148.56	$ 167.55	$ 139.64	$ 130.93	$ 151.21

RATIO OF BONDED DEBT TO REASONABLE FAIR CASH VALUE

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
Ratio of Bonded Debt to Reasonable Fair Cash Value(A)	.70%	.58%	.50%	.47%	.45%	.74%	.62%	.50%	.50%	.55%

(A) Bonded debt for this calculation includes general obligation bonds and revenue bonds whose repayment is funded through governmental fund operations or appropriations.

Ratio of Debt Service Expenditures to General and to All Governmental Fund Type Expenditures

Last Ten Fiscal Years **(Expressed in Millions)**

	FISCAL YEAR ENDED JUNE 30									
	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
General Fund Expenditures	$ 514	$ 565	$ 603	$ 691	$ 739	$ 859	$ 953	$ 1,036	$ 1,137	$ 1,185
Debt Service Expenditures	$ 9	$ 12	$ 18	$ 8	$ 18	$ 21	$ 53	$ 94	$ 71	$ 84
Ratio Debt Service to General Fund Expenditures	1.75%	2.12%	2.99%	1.16%	2.44%	2.44%	5.56%	9.07%	6.24%	7.09%
Total All Governmental Funds Expenditures	$ 1,016	$ 1,167	$ 1,326	$ 1,435	$ 1,493	$ 1,716	$ 1,949	$ 2,212	$ 2,369	$ 2,437
Ratio Debt Service Expenditures to All Governmental Funds Expenditures	0.89%	1.03%	1.36%	0.56%	1.21%	1.22%	2.72%	4.25%	2.99%	3.45%

Enterprise Funds Revenue Bond Coverage

Revenue Bonds/Notes

ENTERPRISE FUNDS - REVENUE BOND COVERAGE
For the Last Ten Fiscal Years (Expressed in Thousands)

FISCAL YEAR	GROSS REVENUES	DIRECT OPERATING EXPENSES	NET REVENUE AVAILABLE FOR DEBT SERVICE	DEBT SERVICE REQUIREMENTS PRINCIPAL	DEBT SERVICE REQUIREMENTS INTEREST	DEBT SERVICE REQUIREMENTS TOTAL	COVERAGE
1978	$ 7,274	$ 4,667	$ 2,607	$ —	$ 4,313	$ 4,313	.60
1979	15,807	10,927	4,880	—	10,074	10,074	.48
1980	29,208	19,328	9,880	3,920	17,713	21,633	.46
1981	41,530	35,161	6,369	6,450	26,316	32,766	.19
1982	38,386	29,882	8,504	8,575	26,575	35,150	.24
1983	57,015	46,328	10,687	19,905	43,071	62,976	.17
1984	68,814	54,540	14,274	88,690	51,464	140,154	.10
1985	83,909	68,231	15,678	21,200	64,287	85,487	.18
1986	93,305	80,190	13,115	21,269	74,854	96,123	.14
1987	84,880	79,951	4,929	185,571	71,793	257,364	.02

Enterprise Funds Revenue Bond coverage included bonds from the Utah Housing Finance Agency and the Student Assistance Programs.

REVENUE BONDS/NOTES

In addition to general obligation debt, several issues of revenue bonds/notes were outstanding at June 30, 1987.

The Utah Housing Finance Agency has issued mortgage purchase bonds to provide adequate sources of capital for housing for low and moderate income families. The bonds, totaling $866,858,000, are to be repaid from mortgage payments.

The Board of Regents issued Student Loan Bonds to guarantee repayment of eligible student loans and to make loans to eligible students. The bonds are financed and repaid from student interest and loan payments and Federal allowances. Outstanding bonds at June 30, 1987, net of unamortized discount, total $26,948,000.

The State of Utah issued Certificates of Participation to finance certain equipment purchases for use by various State departments. The departments make payments which are used to repay the certificates. Outstanding certificates at June 30, 1987 totaled $26,100,000.

The Colleges and Universities have issued bonds for various purposes including student housing, special events centers and student unions. The bonds are secured by the related assets, student building fees and other income of certain college activities. Outstanding bonds at June 30, 1987 totaled $65,484,000.

In the opinion of the bond counsel, the revenue bonds are not a debt, liability, or general obligation of the State of Utah and, therefore, do not impair the legal borrowing capacity of the State.

Revenue Bonds/Notes

REVENUE BONDS	MATURITY DATES	ORIGINAL ISSUES	OUTSTANDING JUNE 30, 1987
Utah Housing Finance Agency:			
Single Family Mortgages			
1977 Series A	1979-2008	$ 75,000,000	$ 54,135,000
1978 Series A	1980-2009	$ 70,000,000	49,515,000
1979 Series A	1980-2010	$ 56,980,000	46,075,000
1980 Series A	1981-2011	$ 100,000,000	82,785,000
1980 Series B	1981-2011	$ 50,000,000	40,290,000
1982 Series A	1984-1999	$ 121,765,000	18,195,000
1983 Series A	1985-2015	$ 51,190,000	48,726,000
1983 Series R	1986-2016	$ 147,060,000	137,348,000
1984 Series A	1987-2016	$ 198,300,000	105,714,000
1986 Home Improvements	1987-2003	$ 2,000,000	2,000,000
1986 Series A	1993-2016	$ 91,015,000	52,688,000
1986 Series B	1993-2016	$ 13,360,000	13,360,000
1987 Series A	1993-2016	$ 38,322,000	38,322,000
1987 Series B	2006-2016	$ 28,386,000	28,386,000
1987 Series C	2000	$ 2,249,000	2,249,000
1987 Series D	1989-2019	$ 27,640,000	27,640,000
1987 Series E	1989-2019	$ 36,835,000	36,835,000
Subtotal			$ 784,263,000
Multi-Family Mortgages			
1978 Series A	2005-2021	$ 3,295,000	$ 3,175,000
1979 Series A	1981-2022	$ 9,375,000	9,085,000
1982 Series A	2024	$ 17,015,000	16,960,000
1982 Series B	1985-2024	$ 5,565,000	5,415,000
1983 Series A	1985-2024	$ 1,420,000	1,380,000
1983 Series 7 and 9	1996	$ 8,210,000	8,105,000
1985 Series A	1988-1998	$ 31,305,000	30,495,000
1985 Series B	2007	$ 6,500,000	6,450,000
1985 Series C	2008	$ 1,530,000	1,530,000
Subtotal			$ 82,595,000
Total Utah Housing Finance Agency Bonds			$ 866,858,000
Board of Regents:			
1979 Student Loan Bonds Net of Unamortized Discount	1979-1996	$ 47,400,000	$ 26,948,000
Utah State Bonding Commission:			
1984A Certificate of Participation	1985-1991	$ 34,490,000	$ 26,100,000
Colleges and Universities:			
Revenue Bonds	1989-2016	$ 89,770,000	$ 65,484,000

Population

Taxable Sales, Personal Income

POPULATION

Utah's population grew faster during the decade from 1970 through 1980 than at any other time in its history. During that period, there was approximately a 406,000 person increase or 38% growth rate. This growth rate was significantly higher than the national average which was approximately 11%, and slightly higher than the mountain states growth rate which was approximately 37% for the same period. The State's growth rate slowed somewhat during 1982. However, population estimates suggest that Utah's population will be over 2 million by the year 2000.

Utah's population is concentrated in the four-county area along the Wasatch Mountain front which includes the Salt Lake City-County area and the surrounding counties of Utah, Davis and Weber with approximately 1,283,000 people or 77% of the total population as of July 1, 1986 estimates.

YEAR	POPULATION
1940	552,000
1950	696,000
1960	900,000
1970	1,066,000
1975	1,236,000
1980	1,472,000
1981	1,515,000
1982	1,558,000
1983	1,595,000
1984	1,623,000
1985	1,645,000
1986	1,665,000
1987 est.	1,687,400

Source: "Statistical Review of Government in Utah" prepared by Utah Foundation from U.S. Bureau of Census Reports and estimates of the Utah Population Estimates Committee.

TAXABLE RETAIL SALES AND PERSONAL INCOME

The following table shows the gross taxable retail sales, total personal income, and per capita income in Utah for the last ten years.

YEAR ENDED DECEMBER 31	GROSS TAXABLE RETAIL SALES(A) (in millions)	TOTAL PERSONAL INCOME(B) (in millions)	PER CAPITA PERSONAL INCOME(B)	PER CAPITA PERCENT OF CHANGE FROM PREVIOUS YEAR
1977	$ 6,312	$ 7,649	$ 5,812	—%
1978	7,349	8,811	6,459	11.1
1979	8,131	10,007	7,067	9.4
1980	8,691	11,223	7,624	7.9
1981	9,857	12,619	8,329	9.2
1982	10,020	13,788	8,850	6.3
1983	10,716	14,575	9,138	3.3
1984	12,294	16,052	9,890	8.2
1985	12,574	17,011	10,341	4.6
1986	12,378	17,892	10,746	3.9

(A) Source: Utah State Tax Commission based on Sales and Use tax reports.

(B) Source: 1977 through 1983 "Statistical Review of Government in Utah" compiled by the Utah Foundation from reports of the U.S. Department of Commerce. The amounts for 1984 to 1986 from the Utah Department of Employment Security.

Personal Income by Sector

(Expressed in Millions)

	1960	1970	1980	1981	1982	1983	1984	1985	PERCENT OF GROSS 1985	
									UTAH	U.S.
Government Sector										
Federal Civilian	$ 154	$ 379	$ 686	$ 748	$ 804	$ 861	$ 920	$ 1,009	5.6%	2.5%
Federal Military	23	39	113	131	142	160	174	187	1.0	1.1
State and Local	127	352	1,038	1,147	1,275	1,381	1,483	1,674	9.3	7.5
Transfer Payments	118	332	1,371	1,573	1,805	1,972	2,001	2,306	12.7	14.1
Total Government	422	1,102	3,208	3,599	4,026	4,374	4,578	5,176	28.6	25.2
Private Sector										
Manufacturing	280	454	1,590	1,814	1,850	1,941	2,250	2,359	13.0	15.3
Mining	92	127	478	607	605	463	449	374	2.1	1.1
Construction	100	163	682	679	661	699	849	1,099	6.1	4.4
Trade	272	484	1,475	1,626	1,693	1,802	1,975	2,211	12.2	11.4
Finance	66	125	428	464	507	531	599	696	3.9	4.6
Transportation, Utilities and Communications	132	229	788	877	966	1,068	1,120	1,201	6.7	5.0
Services and Other Non-Farm	185	384	1,402	1,602	1,762	1,920	2,165	2,645	14.6	15.7
Dividends, Interest, Rent	224	418	1,590	1,919	2,329	2,416	2,789	2,244	12.4	16.2
Net Farm Income	46	80	135	91	101	89	106	73	.4	1.1
Total Private	1,397	2,464	8,568	9,679	10,474	10,929	12,302	12,902	71.4	74.8
Gross Personal Income	$ 1,819	$ 3,566	$ 11,776	$ 13,278	$ 14,500	$ 15,303	$ 16,880	$ 18,078	100.0%	100.0%

Source: "Statistical Review of Government in Utah" compiled by the Utah Foundation from reports of the U.S. Department of Commerce. Information for years 1986 and 1987 is not yet available.

Composition of Civilian Work Force

Average Annual Unemployment Rate

COMPOSITION OF CIVILIAN WORK FORCE
MONTHLY AVERAGE

	1960	1970	1975	1980	June 1986	June 1987
Government						
Federal	28,060	41,088	36,915	37,090	41,000	40,274
State	11,525	23,522	28,847	32,274	38,100	37,723
Local	22,685	35,488	44,568	55,682	62,900	63,762
Total Government	62,270	100,098	110,330	125,046	142,000	141,759
Mining	14,131	12,854	13,275	18,500	8,100	7,711
Construction	14,851	14,708	24,322	31,549	36,200	29,877
Manufacturing	47,549	55,973	67,526	87,700	93,000	91,274
Transportation, Communications & Utilities	22,257	23,128	26,983	34,120	36,600	37,461
Trade	58,816	79,208	104,440	128,678	153,200	154,128
Finance, Insurance and Real Estate	11,292	14,977	19,709	25,768	33,300	33,473
Service and Miscellaneous	31,897	56,009	73,747	99,426	137,300	141,131
Other & Agriculture	45,737	32,045	33,268	34,513	70,300	74,986
Total Employed	308,800	389,000	473,600	585,300	710,000	711,800
Unemployed	15,500	25,200	37,400	33,500	40,800	48,300
Total Labor Force	324,300	414,200	511,000	618,800	750,800	760,100

Source: 1960 through 1984 "Statistical Review of Government in Utah" prepared by the Utah Foundation from reports and records of the Utah Department of Employment Security. Numbers for 1985 and 1986, and the 1987 forecast were prepared from reports of the Utah Department of Employment Security.

AVERAGE ANNUAL UNEMPLOYMENT RATE
FOR THE LAST FIVE FISCAL YEARS

YEAR	UTAH(A)	U.S.(B)
1983	9.5%	9.6%
1984	7.5%	7.5%
1985	6.2%	7.3%
1986	5.8%	7.3%
1987	6.4%	6.7%

Source: (A) Utah Department of Employment Security
(B) Employment and Earnings - Bureau of Labor Statistics

Gross Taxable Retail Sales and Use Tax Purchases

Bank Deposits

GROSS TAXABLE RETAIL SALES AND USE TAX PURCHASES FOR THE LAST FIVE FISCAL YEARS (Expressed in Thousands)

	Gross Retail Sales and Purchases					Percent Change	Percent Change
	1983	1984	1985	1986	1987	1985 to 1986	1986 to 1987
Major Industry:							
Agriculture, Forestry and Fishing	$ 7,727	$ 8,500	$ 9,382	$ 8,701	$ 9,488	(7.3)%	9.0%
Mining	214,485	200,835	190,755	118,459	90,299	(37.9)	(23.8)
Construction	208,846	270,353	342,746	299,243	213,424	(12.7)	(28.7)
Manufacturing	788,654	868,110	968,172	948,582	787,617	(2.0)	(17.0)
Transportation	48,268	57,203	66,694	54,569	43,364	(18.2)	(20.5)
Communications	301,450	293,256	308,709	329,583	381,307	6.8	15.7
Electric, Gas and Sanitation	608,199	687,289	858,057	803,160	813,077	(6.4)	1.2
Wholesale Trade	1,274,852	1,379,250	1,432,277	1,370,784	1,191,521	(4.3)	(13.1)
Retail - Building and Garden	380,426	471,467	531,630	528,301	547,637	(0.6)	3.7
Retail - General Merchandise	808,707	852,071	883,111	918,227	959,006	4.0	4.4
Retail - Food Stores	1,373,499	1,443,342	1,539,602	1,695,255	1,819,272	10.1	7.3
Retail - Motor Vehicle Dealers Etc	929,554	1,175,413	1,326,899	1,368,249	1,422,350	3.1	4.0
Retail - Apparel and Accessories	247,452	270,585	301,865	326,206	329,138	8.1	0.9
Retail - Furniture and Home Furnishings	316,775	380,436	437,087	444,053	491,231	1.6	10.6
Retail - Eating and Drinking Places	493,381	545,225	607,372	667,022	698,689	9.8	4.7
Retail - Miscellaneous	682,643	730,386	830,779	817,798	749,991	(1.6)	(8.3)
Finance, Insurance and Real Estate	41,425	47,991	51,574	61,912	73,784	20.0	19.2
Services	1,041,359	1,135,595	1,378,376	1,364,676	1,385,659	(1.0)	1.5
Public Administration	54,256	76,490	101,552	72,450	78,412	(28.7)	8.2
Private Motor Vehicle Sales	176,417	204,301	222,716	213,524	216,240	(4.1)	1.3
Occasional Retail Sales	30,324	36,235	19,231	36,459	12,743	89.6	(65.0)
Nondisclosable	24,133	36,990	22,812	34,627	24,122	51.8	(30.3)
Total	$ 10,052,832	$ 11,171,323	$ 12,431,398	$ 12,481,840	$ 12,338,371	0.4%	(1.1)%

Source: Utah State Tax Commission

BANK DEPOSITS LAST TEN YEARS

YEAR ENDED	BANK DEPOSITS (Expressed in Thousands)(A)
June 30,	
1987	$ 15,478,452
1986	$ 14,221,106
1985	$ 13,261,869
1984	$ 12,893,639
1983	$ 11,841,786
1982	$ 10,480,883
December 31,	
1981	$ 10,535,063
1980	$ 10,702,840
1979	$ 8,981,874
1978	$ 8,034,542

(A) Note: Figures do not include National Credit Unions.

Source: Utah Dept. of Financial Institutions

Largest Employers

As of March 1987

	Number of Employees(A)
Hill Air Force Base	14,500
State of Utah	13,500
Brigham Young University	12,000
University of Utah	12,000
Granite School District	6,500
Morton-Thiokol, Inc.	6,500
Jordan School District	6,000
U.S. Treasury Dept. - IRS	5,500
Hercules Corp.	5,000
Utah State University	5,000
Utah Power & Light	5,000
Salt Lake County	4,500
Tooele Army Depot	4,000
U.S. Post Offices	4,000
Unisys Corp. (Sperry)	3,500
The Mountain States Tel. & Tel.	3,500
Davis County School District	3,500
Alpine School District	3,500
ZCMI	3,500
Smith's Management Corp.	3,500
Salt Lake City School District	3,000
Delta Airlines	3,000
Weber County School District	2,500
LDS Hospital	2,500
Salt Lake City Corp.	2,500
First Security Bank of Utah	2,000
Albertson's, Inc.	2,000
Defense Depot - Ogden	2,000
K-Mart Corp.	2,000
Kennecott Corp.	2,000
NICE Corp.	2,000

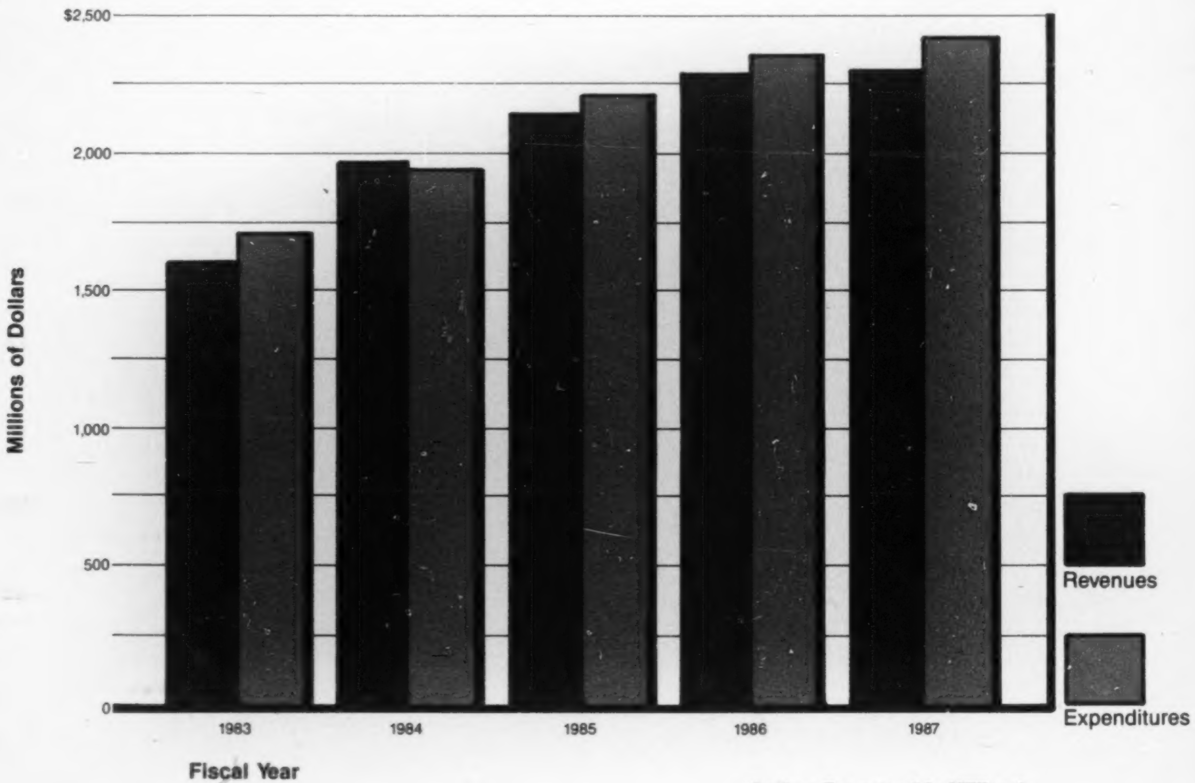
NOTE: The Church of Jesus Christ of Latter-Day Saints remains one of the State's largest employers, however, figures were not available for 1987.

Sources: State of Utah from State Payroll Coordinator; all others from Utah Department of Employment Security.

(A) All amounts are rounded.

Revenues and Expenditures All Governmental Fund Types

For the Last Five Fiscal Years



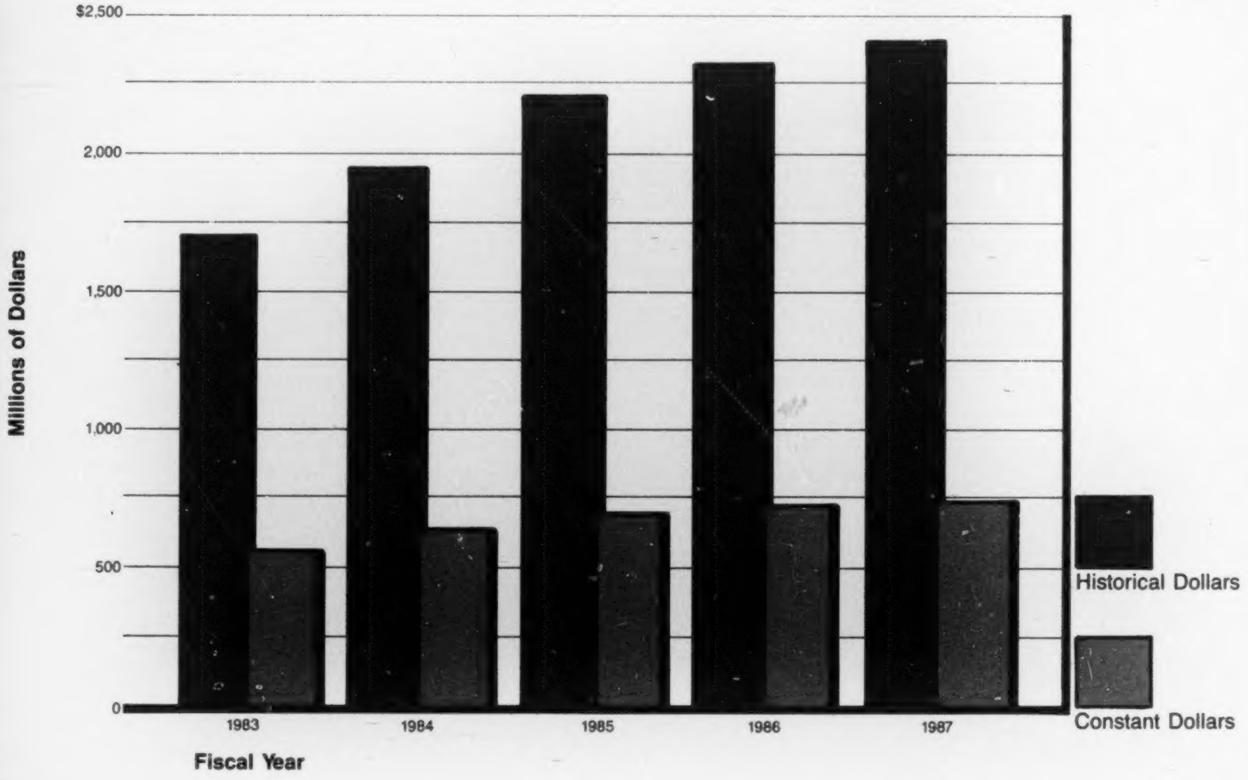
(Dollars Expressed in Millions)

	1983	1984	1985	1986	1987
Revenues	$ 1,621	$ 1,954	$ 2,163	$ 2,290	$ 2,320
Percent Change Over Previous Year	3.4%	20.5%	10.7%	5.9%	1.3%
Expenditures	$ 1,716	$ 1,949	$ 2,212	$ 2,369	$ 2,437
Percent Change Over Previous Year	14.9%	13.6%	13.5%	7.1%	2.9%

Revenues and expenditures of "All Governmental Fund Types" include: The General Fund, Special Revenue Funds (Uniform School Fund and Transportation Fund), Capital Projects Fund, and Debt Service Fund.

Expenditures Historical and Constant Dollars All Governmental Fund Types

For the Last Five Fiscal Years



(Dollars Expressed in Millions)

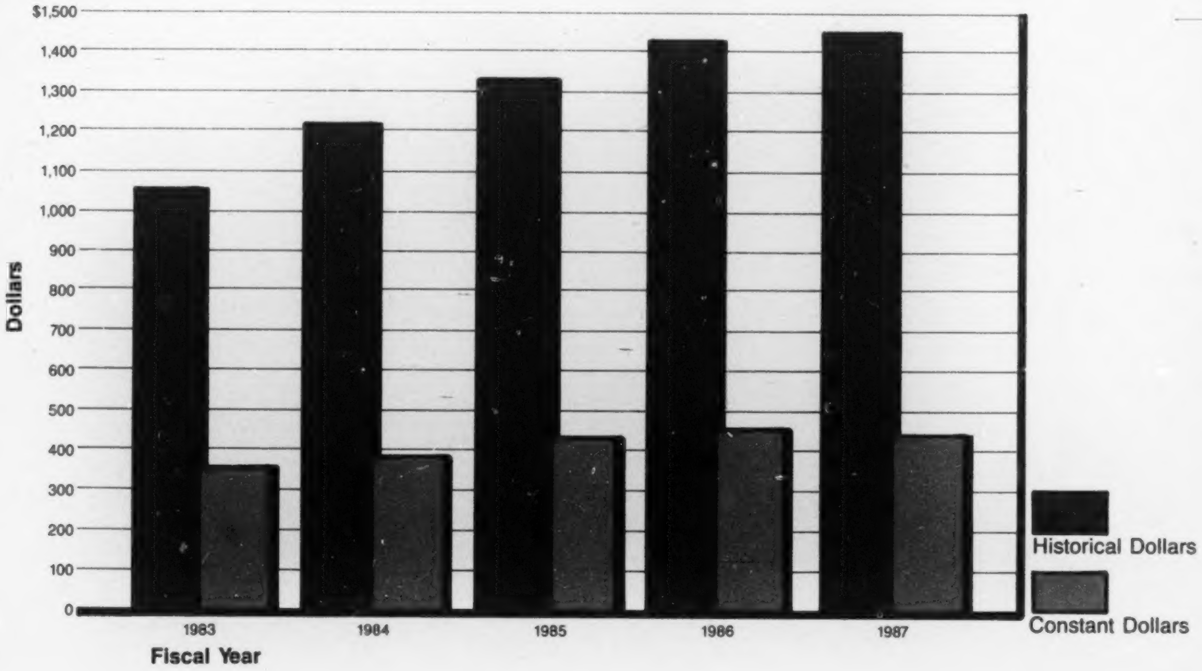
	1983	1984	1985	1986	1987
Historical Dollars	$ 1,716	$ 1,949	$ 2,212	$ 2,369	$ 2,437
Percent Change Over Previous Year	14.9%	13.6%	13.5%	7.1%	2.9%
Constant Dollars(A)	$ 574	$ 639	$ 698	$ 727	$ 731
Percent Change Over Previous Year	11.0%	11.3%	9.2%	4.2%	0.6%

Base Year 1967 = 100

(A) Note: Expenditures expressed in constant dollars were derived by using the consumer price index for all urban consumers.

Per Capita Expenditures
Historical and Constant Dollars
All Governmental Fund Types

For the Last Five Fiscal Years



	1983	1984	1985	1986	1987
Historical Dollars	$ 1,076	$ 1,201	$ 1,345	$ 1,422	$ 1,444
Percent Change Over Previous Year	11.7%	11.6%	12.0%	5.7%	1.5%
Constant Dollars(A)	$ 360	$ 394	$ 425	$ 436	$ 433
Percent Change Over Previous Year	7.3%	9.4%	7.9%	2.6%	(0.7%)

Base Year 1967 = 100

(A) Note: Expenditures expressed in constant dollars were derived by using the consumer price index for all urban consumers.

Expenditure Comparison by Type
General Fund

(Expressed in Thousands)

	For the Fiscal Year Ended June 30			
	1987	1986	Dollar Change	Percent Change
Personal Services	$ 221,714	$ 214,767	$ 6,947	3.2%
Health Insurance	17,909	17,508	401	2.3
Retirement Benefits	26,365	25,928	437	1.7
FICA	15,509	14,993	516	3.4
Other Employee Benefits	7,197	5,198	1,999	38.5
In-State Travel	5,029	5,413	(384)	(7.1)
Out-of-State Travel	1,953	2,004	(51)	(2.5)
Data Processing	19,560	20,623	(1,063)	(5.2)
Communications	6,050	5,960	90	1.5
Professional and Technical Services	33,847	39,686	(5,839)	(14.7)
Employment Security Operations	37,465	41,443	(3,978)	(9.6)
Retirement Administration	6,993	6,167	826	13.4
Rent - Land and Equipment	8,897	8,248	649	7.9
Maintenance - Buildings and Equipment	12,008	11,951	57	0.5
Tax Anticipation Interest	7,270	3,679	3,591	97.6
Utilities	5,325	5,432	(107)	(2.0)
Other Current Expenditures	37,256	33,124	4,132	12.5
Land	2,818	5,746	(2,928)	(51.0)
Data Processing Equipment	5,029	4,237	792	18.7
Other Capital Outlays	8,971	7,770	1,201	15.5
Allocations to Institutions of Higher Education	320,532	315,322	5,210	1.7
Public Assistance Payments	135,267	126,005	9,262	7.4
Welfare Medical Payments	238,927	199,952	38,975	19.5
Social Services Block	21,429	20,972	457	2.2
W.I.C. Payments	11,295	10,825	470	4.3
Family Services - State Funded Programs	32,101	30,522	1,579	5.2
Cooperative Agreements	4,549	5,691	(1,142)	(20.1)
Payments to Other Governments	44,854	24,388	20,466	83.9
Distributions to Local School Districts	—	615	(615)	(100.0)
Other Service Payments	40,020	46,934	(6,914)	(14.7)
Pass Through Funds	2,518	20,245	(17,727)	(87.6)
Total	$ 1,338,657	$ 1,281,348	$ 57,309	4.5%

Expenditure Comparison by Type
Uniform School Fund
Transportation Fund

(Expressed in Thousands)

UNIFORM SCHOOL FUND

	For the Fiscal Year Ended June 30			
	1987	**1986**	**Dollar Change**	**Percent Change**
Personal Services	$ 17,903	$ 17,303	$ 600	3.5%
Health Insurance	1,307	1,289	18	1.4
Retirement Benefits	1,974	1,994	(20)	(1.0)
FICA	1,261	1,213	48	4.0
Other Employee Benefits	355	289	66	22.8
In-State Travel	560	573	(13)	(2.3)
Out-of-State Travel	133	160	(27)	(16.9)
Data Processing	2,817	2,190	627	28.6
Communications	485	485	—	0.0
Professional and Technical Services	1,897	1,544	353	22.9
Rent - Land and Equipment	967	918	49	5.3
Maintenance - Buildings and Equipment	102	115	(13)	(11.3)
Utilities	378	383	(5)	(1.3)
Other Current Expenditures	2,354	2,444	(90)	(3.7)
Capital Outlays	412	478	(66)	(13.8)
Payments to Other Governments	22,734	18,213	4,521	24.8
Distributions to Local School Districts	678,684	675,063	3,621	0.5
Other Service Payments	4,955	4,720	235	5.0
Area Vocational Centers	6,405	6,884	(479)	(7.0)
Total	$ 745,683	$ 736,258	$ 9,425	1.3%

TRANSPORTATION FUND

	For the Fiscal Year Ended June 30			
	1987	**1986**	**Dollar Change**	**Percent Change**
Personal Services	$ 45,065	$ 46,139	$ (1,074)	(2.3)%
Health Insurance	3,700	3,680	20	0.5
Retirement Benefits	5,210	5,343	(133)	(2.5)
FICA	3,236	3,256	(20)	(0.6)
Other Employee Benefits	941	765	176	23.0
In-State Travel	586	793	(207)	(26.1)
Out-of-State Travel	63	63	—	0.0
Data Processing	4,193	2,861	1,332	46.6
Communications	682	668	14	2.1
Professional and Technical Services	11,454	11,646	(192)	(1.6)
Materials and Supplies	13,481	17,355	(3,874)	(22.3)
Rent - Land and Equipment	108	221	(113)	(51.1)
Maintenance - Buildings and Equipment	4,156	3,304	852	25.8
Utilities	2,122	2,298	(176)	(7.7)
Other Current Expenditures	4,776	3,236	1,540	47.6
Land	6,595	6,448	147	2.3
Highway Construction	136,307	179,063	(42,756)	(23.9)
Other Capital Outlays	16,580	12,429	4,151	33.4
Payments to Other Governments	34,847	39,879	(5,032)	(12.6)
Pass Through	5,548	4,413	1,135	25.7
Total	$ 299,650	$ 343,860	$ (44,210)	(12.9)%